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Algeria	5.30	Iran	1.35	East Nigeria	1.00
Austria	15.50	Israel	15.00	Norway	4.50
Bahamas	0.40	Italy	8.00	Portugal	4.00
Bahrain	0.40	Japan	100.00	Spain	16.00
Belgium	3.50	Kenya	1.00	Switzerland	4.50
Brazil	1.00	Libya	0.50	Taiwan	1.00
Canada	1.00	Madagascar	0.50	Tanzania	0.50
Cuba	0.50	Malawi	0.50	Turkey	1.50
Czechoslovakia	1.00	Mali	0.50	U.S.	1.00
Denmark	5.50	Mexico	1.00	West Germany	4.50
Egypt	0.50	Morocco	0.50	Yugoslavia	0.50
France	1.00	Niger	0.50		
Germany	2.00	Romania	0.50		
Greece	0.50	Saudi Arabia	0.50		
		Senegal	0.50		
		Singapore	0.50		
		Sri Lanka	0.50		
		Togo	0.50		
		Tunisia	0.50		
		Zambia	0.50		
		Zimbabwe	0.50		

THE WEATHER — PARIS: Wednesday, cloudy, 7-14 (10-13).
LONDON: Wednesday, cloudy, 7-14 (10-13).
CHANGHAI: Wednesday, overcast, 10-16 (13-15).
FRANKFURT: Wednesday, overcast, 10-16 (13-15).
NEW YORK: Wednesday, rain, 10-17 (13-15).



Students occupying a Warsaw officers' college for firemen handed money to a passerby Tuesday to buy them food. Police sealed off the building in preparation for efforts to remove the strikers.

Polish Riot Police Ring Striking Fire Cadets

WARSAW — Riot police ringed a firemen's school Tuesday after striking cadets inside refused to come out.
Supporters of the strike said that troops were halting firemen from other parts of Poland from converging on the capital in a show of support.
The academy, which is run by the Interior Ministry and trains officers for the fire services, was dissolved by the government Monday. The cadets have been staging a sit-in strike since last Wednesday to demand that it be placed under civilian control.
About 1,000 helmeted police, armed with nightsticks, shields and small arms, were jeered as they erected barriers outside the academy to control a crowd that had swelled to 5,000 by nightfall.
Police at one stage drove a convoy of vehicles past the academy in a show of strength. But strikers blocked that track, near the school and one said they would get bus drivers to encircle the police if necessary.
The student strikers, numbering about 340, told officials of the Solidarity free trade union they would not resist if police stormed the building. Solidarity set up a mobile headquarters in one of the streets in the same way that it moved in to control a streetcar, bus and truck blockade in central Warsaw last August.
The union's Warsaw leader, Zbigniew Bujak, was apparently in command. Monday night he was prevented by police from entering the academy building and witnesses said he was roughed up.
Messages of support for the strikers were broadcast on a union public address system and the cadet firemen beamed back their thanks through their own loudspeakers. The strikers also broadcast patriotic and religious songs.
Appeals over a loudspeaker were also addressed directly to the police, calling on them to think about what they were doing and saying that they were bringing upon themselves the hatred of all Poles. The witnesses said the riot police were booed and jeered when they took up positions in front of the crowd.
Farmers Continue Strikes
An Interior Ministry spokesman said Monday night there were no plans to use force against the strikers.
Mr. Bujak issued a statement proposing the transfer of the firemen's school from the Interior Ministry's control as a means to end the protest.
Meanwhile, strikes by about 500 farmers in several towns continued, and leaders of the national independent students' association decided to maintain sit-ins at 71 of Poland's 91 colleges and universities to win academic reforms.

U.S. Finds No Crime In \$1,000 Allen Gift

WASHINGTON — The Justice Department announced Tuesday that it found "no criminal violation" by President Reagan's national security adviser, Richard V. Allen, in receiving \$1,000 from Japanese journalists, and will not call for a special prosecutor to review the case.
However, the department said it was unclear whether a special prosecutor should be appointed to look into two other matters — Mr. Allen's receipt of two watches from the Japanese and a recent revelation that his financial disclosure form inaccurately stated the date he sold his interest in a consulting firm.
The department said it will drop its investigation of the payment Mr. Allen received after arranging an interview with Nancy Reagan, but will continue looking into the two other issues.
Attorney General William French Smith concluded that federal law does not require appointment of a special prosecutor to investigate the \$1,000 payment because "the department has not received or discovered any specific information that Mr. Allen violated federal criminal law" in receiving the money, a department statement said.
36 Interviewed
As for the watches and the financial disclosure form, "the applicability of the special prosecutor provisions to those matters has not yet been determined," the department said. "At this time, it would be premature and inappropriate to comment further."
Mr. Allen announced Sunday that he was taking an administrative leave pending completion of the Justice Department investigation.
In a formal statement released at the Justice Department, the government said 36 persons in the United States and Japan were interviewed.
(Continued on Page 2, Col. 2)



Paul H. Nitze, left, the chief U.S. negotiator, and Yuri A. Kvitsinsky, the Soviet representative, are surrounded by journalists before the beginning of a session on arms control issues in Geneva.

French Cabinet Debate on Speed Of Socialist Reforms Boils Over

PARIS — Clear-cut differences between the French government's hard-liners and moderates over how fast to carry out Socialist reforms have suddenly broken out into the open after months of polite skirmishes behind the scenes.
The public confrontation between Finance Minister Jacques Delors, who urged a "pause" and Prime Minister Pierre Mauroy, who vowed to plow ahead full speed, lifts the cloak of semi-secrecy from a debate that has been waged inside the Socialist government almost since its inception last June.
It pits the Cabinet's most prominent advocates of caution toward French business against a prime minister who recently decided to force the pace by ordering some reforms implemented by decree rather than laws voted by parliament.
More broadly, the exchange reflects a basic difference within the Socialist Party between a majority determined to put the entire Socialist platform into effect with the swiftest possible delay and a minority convinced that the French economy cannot take too strong a dose of Socialist medicine in one gulp.
French political analysts predict that, with the clash now in full public view, President Francois Mitterrand will have to come down for one side or the other before a television appearance he has scheduled within the next two weeks.
Mr. Mitterrand, currently on a trip to Algeria, has in past tests between competing factions of his government come down most often on the hard-liners' side, explaining on one occasion that if Socialist reforms were not carried out swiftly, they might never be.
This was particularly true in his endorsement of Mr. Mauroy's decision to nationalize France's 36 major private banks and eight key industrial groups all in one blow.
Mr. Delors, a respected economist who has held posts in previous governments, had argued along with Planning Minister Michel Rocard for a more cautious approach designed to soften the impact on an already hostile business community.
Similarly, Mr. Delors and his moderate allies in the Cabinet reportedly expressed strong reservations about the record \$17-billion budget deficit that Mr. Mauroy's government decided on to stimulate the economy and reduce unemployment. In both cases, the debate was kept within the government despite rumors that Mr. Delors and Mr. Rocard had threatened to resign after their strongly felt advice was rejected by Mr. Mauroy and Mr. Mitterrand.
But on Sunday, Mr. Delors told a radio interviewer: "My personal opinion is clear. We should make a pause in announcing reforms. On the other hand, we should carefully carry to fruition those that have been decided."
Indicating he fully measured the (Continued on Page 2, Col. 6)

Arms Delegates Spell Out Views

Positions Appear to Be Unchanged As Talks Become Serious and Frank

By Michael Gerler
WASHINGTON Post Service
GENEVA — American and Soviet negotiators were understood Tuesday to have stated their generally well-known but widely divergent opening positions on reducing nuclear weapons in Europe as the first full negotiating session got under way behind closed doors.
The proposals by Washington and the Kremlin were advanced during a meeting that lasted for two hours and 40 minutes.
The tone of the meeting was understood to have been serious and frank as the warm handshakes that ushered in the informal opening of the negotiations Monday turned to the business of trying to resolve the differences in outlook about the atomic arsenals in Europe.
The attempt to shroud these talks in as much secrecy as is possible was obvious. Reporters were allowed into the room where the first full meeting was held for a few minutes and then ushered out.
There were no statements at the conclusion of the meeting by the Soviet delegation and only an American statement reporting the length of the session.
U.S. Is the Host
The first session at which the full delegations of both sides were present was held at the offices of the U.S. Arms Control and Disarmament Agency here. It was the same room used for discussions with Moscow for the previous strategic arms limitation talks that focused on missiles and bombers based in the United States and the Soviet Union.
The delegations will meet twice weekly, once at the U.S. building and once at the Soviet compound about a half-mile away. The next meeting was scheduled for Friday.
In a battle for public opinion that went on before the talks began, President Reagan and President Leonid I. Brezhnev made dramatic gestures meant to portray their sincere interest in reducing atomic arms.
The speeches were aimed mostly at a West European population that is becoming increasingly nervous about a new round in the arms race that may follow unless the negotiations are successful.
President Reagan proposed the so-called zero option in which the United States would forgo deployment of 572 Pershing-2 and Cruise missiles if the Soviet Union would dismantle about 600 intermediate-range missiles that can strike West European targets.
Sweeters Added
President Brezhnev had previously talked about a moratorium on missile production and then added sweeteners, such as proposing to make preliminary cuts amounting to perhaps hundreds of missiles, though he did not say what missiles or under what conditions. The Soviet Union has also talked of a sweeping renunciation of all nuclear weapons in Europe.
It is those general positions which were understood to have been put forward Tuesday without much further comment.
The Soviet Union has rejected the zero option plan in the past, arguing that there is already a rough balance of atomic striking power and that dismantling Soviet missiles forces would put Moscow at a disadvantage.
The United States has rejected the moratorium idea as something that would leave the Soviet Union with a massive edge in the area, while the more sweeping renunciation in Washington to put all its eggs in one basket in Europe on the bargaining table, as well as British and French nuclear forces.
Although both sides are pledged to light security surrounding details of the negotiations, one glimpse of (Continued on Page 2, Col. 5)

Belgian Foreign Minister Agrees To Try to Form New Government

BRUSSELS — Belgian Foreign Minister Charles-Ferdinand Nothomb on Tuesday took up the task of trying to form a new government following the collapse Monday of efforts to form a center-right coalition.
The royal palace said that Mr. Nothomb, of the French-language Social Christian Party, had been entrusted by King Baudouin with the mission assigned a week ago to Flemish Liberal Willy De Clercq.
Mr. De Clercq abandoned his efforts Monday when the Mr. Nothomb's party executive committee rejected joining a coalition with Mr. De Clercq had proposed, saying that any coalition should be broader-based.
The French-language Social Christian leader, former Premier Paul Vanden Boeynants, resigned Tuesday to protest the party's stand, which it adopted against his advice.
Mr. Nothomb, 45, foreign minister in the outgoing center-left coalition of Premier Mark Eyskens, is the first politician from the French-speaking Walloon area of Belgium to be asked to form a government in the last three years.
Political sources said that Mr. Nothomb came from the wing of the party that favored bringing the Socialists into government and that he would likely seek a broad-based coalition grouping Liberals, Social Christians and Socialists.
Belgium's inconclusive elections last month left a delicate balance of power, with the Socialists and Social-Christians each holding 61 seats in the 212-member assembly, and the Liberals taking 52 seats.
The country has been run by a caretaker administration since Mr. Eyskens' government fell in September in a rift over funds for Wallonia's steel industry.
All political leaders have said that a government is urgently needed to confront pressing problems.
These include a growing budget deficit, the highest unemployment rate in the European Economic Community and growing tensions between Dutch-speaking Flanders and the economically depressed southern region of French-speaking Wallonia.
The sources said that Mr. Nothomb would have to overcome strong mutual suspicion among Liberals, Social Christians and Socialists if a broad-based coalition were to be formed.
The Liberals favor sharp cuts in government spending, while the French-speaking Socialists say that government funds must be found immediately to save the Walloon steel industry, which is losing \$25 million a month.
The Flemish Social Christians have made it clear that they are against a government with the Socialists, who have joined them in several short-lived coalitions in the last three years.

China Plans to Cut Bureaucracy In Major Government Realignment

By Michael Parks
Los Angeles Times Service
PEKING — Premier Zhao Ziyang said Tuesday that China will begin to cut back its huge bureaucracy in a major government reorganization.
Mr. Zhao told the annual session of the National People's Congress, China's parliament, that some government organizations would simply be eliminated, others would be merged and that all would be subject to "a maximum reduction of staff."
The premier also said that the reorganization, the most thorough proposed since the start of the Cultural Revolution in 1966, would bring "big changes" in the government's top ranking officials.
If such drastic action were not taken quickly, Mr. Zhao warned, "the bureaucracy with its inefficiency, inertia and obstructionism would certainly undermine the country's efforts at economic reform and political liberalization and ultimately would endanger China's long-term development."
Resolute Measures
"To ensure effective leadership of our modernization program," Mr. Zhao said, "the state council is determined to adopt resolute measures to change decisively such intolerable phenomena as an administration bristling with overstaffed and multi-echeloned departments that are crammed with superfluous hands and numerous deputy and nominal chiefs and bogged down in endless debates and shifts of responsibility and that, as a result, have a very low working efficiency."
Chinese leaders have become increasingly impatient with the country's bureaucracy, but little has actually been done to trim its size or reduce its lethargy.
The state council now has precise plans, however, to start cutting at the top, reducing the size and number of its own offices, moving next through the headquarters of government ministries and special commissions and then to the provincial and eventually local level, Mr. Zhao said.
Sheer Economics
Minimum cuts in staff will be mandated and deadlines set, Mr. Zhao said, stressing the state council's determination to see this effort through.
A major target, an official said, will be the ministries that run various sectors of Chinese industry. "Mr. Zhao would like to cut each back to, say, no more than a thousand persons dealing with policy and plans and put the rest into new national corporations where sheer economics and the pressure to improve profits would reduce the number of administrators and force the rest into product — or out altogether."
Initial moves will be made in this direction next month, Mr. Zhao said, when large numbers of senior officials will be sent to industrial and commercial enterprises to help improve management there.

Schmidt, Party Differ On Deploying Missiles

By John Tagliabue
New York Times Service
BONN — Less than a week after Chancellor Helmut Schmidt thought he had made clear the Bonn government position to the Soviet Union, high-ranking officials of Mr. Schmidt's Social Democratic Party have suggested in public statements that the deployment of medium-range nuclear weapons in Western Europe might be postponed under certain circumstances beyond the autumn of 1983.
During Leonid I. Brezhnev's visit to Bonn last week, Mr. Schmidt told the Soviet president repeatedly that Bonn was determined to implement the North Atlantic Treaty Organization decision to deploy the missiles by the fall of 1983 if talks aimed at achieving arms reductions failed. The talks started Monday in Geneva.
But in an interview published during the weekend, Willy Brandt, the chairman of the Social Democratic Party, said it was conceivable that by the end of 1983 a "situation might exist that would not yet yield the need for a decision."
That might be the case, Mr. Brandt said, if such significant progress were made at the Geneva talks that a rescheduling of deployment plans seemed sensible.
Opposition Reaction
The observation was immediately assailed by the major opposition party, the Christian Democrats. A spokesman, Philipp Jenninger, said the suggestion "lifted NATO policy off its hinges," by removing pressure to negotiate from the Soviet Union.
The remarks by Mr. Brandt, which were echoed by other party officials, again raised doubts that the Social Democrats would be able to implement the NATO decision if the Geneva talks failed, or were delayed. The missile decision is being stubbornly resisted by the party's left wing.
The comments seemed to reflect continued concern that a Social Democratic Party congress scheduled for the autumn of 1983 might reject the NATO decision.
On Sunday, the Social Democrats' parliamentary leader, Herbert Wehner, was asked in a television interview if he thought extension of the autumn 1983 deadline was possible. Mr. Wehner said "that is not inconceivable."
Can't Dicate Terms
He added, however, that Bonn was not in a position to dictate terms to the United States and the Soviet Union. But he acknowledged that the often heated discussion in the Social Democratic Party over the NATO missile decision was not likely to die down.
Responding to these remarks, a government spokesman, Kurt Becker, said at a news conference Monday that the Bonn government was incapable of withdrawing "even as much as one millimeter" from what it said last week. He was referring to Mr. Schmidt's assurances to Mr. Brezhnev.
But Mr. Becker seemed to back off one step when he added "at least as things stand today," seeming to suggest that the possibility of an extension was not entirely excluded even by the government.
Officials of the Reagan administration have rejected discussion of a possible extension.
At a news conference Wednesday, Secretary of State Alexander M. Haig Jr. was asked how he would react to possible pressure from Western Europe to extend the 1983 deadline if the Geneva talks produced no early results. Mr. Haig said his reaction would be that such pressure was "a very serious matter" and "Western position as I understand it."

Yugoslav Jet Crashes In Corsica; 178 Killed

The Associated Press
AJACCIO, Corsica — A chartered DC-9 airliner carrying 172 Yugoslav tourists and six crew members slammed into fog-shrouded mountains 30 miles (48 kilometers) from the airport here Tuesday, killing all aboard, Ajaccio police said.
They said that the wreckage of the Yugoslav line-Adria Airways plane was found by search parties on the slopes of Mount San Pietro above Casa Casablavra nearly four hours after radio and radar contact with the aircraft was lost. High winds and fog had hampered efforts to locate the downed plane, police said.
Ajaccio police said that the DC-9 crashed on the west face of Mount San Pietro. Bodies were scattered on the sides of the mountain among the debris of the aircraft, they said. Civil defense workers were taken to the scene by police helicopter.
Metallic Debris
Earlier police reported spotting metallic debris near Serra-di-Ferro, about 12 miles south of Ajaccio near the west coast of this Mediterranean island. A helicopter was sent to investigate. It was not immediately clear if the debris was part of the wreckage.
Villagers reported seeing an aircraft apparently in trouble and others said they heard one or more explosions, possibly as the aircraft crashed into Mount San Pietro.
The number of people aboard the airliner was announced in Yu-

India Reacts

An Indian Defense Ministry official tells Parliament that India is stepping up its military preparedness in the face of U.S. approval of the sale of sophisticated arms and F-16 fighters to Pakistan, Page 2.

Reagan Budget

In Cincinnati, President Reagan tells Republicans that he will "not retreat one inch" in the pursuit of his program of deep budget cuts and tax cuts, Page 3.

Salvador Warning

Edwin Meese, 3d, the president's counselor, asserts that President Reagan has not ruled out a blockade or other actions aimed at halting the flow of arms into El Salvador, Page 3.

Unesco Shift

After more than five years of talking about measures to let governments control reporting and reporters, Unesco says it is shifting its activities toward concrete projects that will improve communications equipment and technical training for journalists in underdeveloped countries, Page 3.

Focus on Turkey

A special supplement on Turkey appears on Pages 9S-16S.

U.S. Opens A Review of A-Exports

Lack of Safeguards Worries Authorities

By Joanne Ormang
Washington Post Service

WASHINGTON — The Nuclear Regulatory Commission has decided that current international safeguards against the spread of nuclear material will not work in some situations and is so concerned that it has begun to review its export licensing policy.

In a letter on Friday from NRC Chairman Nunzio J. Palladino to members of Congress with jurisdiction over the commission, the agency joined several recent critics of the International Atomic Energy Agency in their efforts to prevent the spread of nuclear weapons, it was learned on Monday.

Crucial Position

But the NRC position is crucial, because any slowdown in licensing the nation's hundreds of annual nuclear exports would rock the industry and cast a shadow over the entire administration policy of promoting nuclear power.

Mr. Palladino's letter, endorsed by the other four commission members, reiterated a longstanding NRC complaint that "little or no safeguards information" is generally available from the IAEA when the NRC must decide whether to license commercial shipments of reactors, components, fuel and other radioactive materials. About 200 shipments subject to safeguards go on each year.

'Update Assessment'

Recent developments have prompted the NRC "to update our assessment of IAEA safeguards," Mr. Palladino wrote.

"The NRC is concerned that the IAEA safeguards system would not detect a diversion [of nuclear materials] in at least some types of facilities. In addition, we are not confident that the member states would be notified of a diversion in a timely fashion," the letter said.

Mr. Palladino did not specify the "recent developments," but NRC sources said they included Israel's bombing of Iraq's Osirak reactor last June and subsequent congressional testimony from former IAEA inspectors that IAEA safeguards might not have detected the bomb factory Israel said was at Osirak.

Violation Sidetracked

Internationally IAEA politics and pressure to a violation might be sidetracked within the bureaucracy and not come to public attention, the inspectors said.

In a report last month to the NRC, prepared by a former commission staff member and international inspector, it was concluded that the international system of safeguards intended to stop the diversion of uranium and plutonium from peaceful nuclear programs to atomic weapons had gross deficiencies.

IAEA Director Sigvard Eklund told the IAEA general conference in September that the agency, an arm of the United Nations, could not guarantee that nuclear materials might not be diverted during "on-line refueling of heavy water reactors" of the type used in India and Pakistan.

No Authority

The safeguards, agreed to by the 112 signatories to the Nuclear Nonproliferation Treaty, include on-site inspections, but host countries can choose the IAEA inspectors, always know in advance when inspectors are coming and can refuse to provide documents or access to areas they have not previously said may be inspected. The inspectors have no authority to look for undeclared material.

In addition, NRC jurisdiction over safeguards has never been clearly defined. The Nuclear Nonproliferation Act of 1978 provides that the NRC must certify that IAEA safeguards "will be applied" to U.S. nuclear exports before it approves them, but the act says nothing about evaluating adequacy of the safeguards.

A spokesman for the State Department, which also must approve nuclear exports, said the IAEA performs an essential function. "We don't see any alternative to it, and we're working on improving the safeguards," he said.



Secretary of State Alexander M. Haig Jr., right, and Israeli Defense Minister Ariel Sharon made a statement to reporters Tuesday after discussing the strategic cooperation agreement for five hours.

Sharon Ends U.S. Stay to Attend Knesset Debate on Strategic Pact

United Press International

WASHINGTON — Israeli Defense Minister Ariel Sharon broke off meetings with U.S. officials Tuesday to return to Israel, predicting the new U.S.-Israeli strategic cooperation pact would survive a parliamentary test.

Mr. Sharon, who signed the agreement at a dinner Monday,

was called back to Israel by Prime Minister Menachem Begin for a debate and vote of confidence on the agreement Wednesday by the Knesset (parliament).

"I am convinced the Knesset will vote for it," Mr. Sharon told reporters at the State Department after a five-hour meeting with Secretary of State Alexander M. Haig Jr.

A confidence motion was raised in the Knesset by the opposition Labor Party because the government coalition did not present the agreement to the Knesset Foreign Affairs Committee for debate before Mr. Sharon signed it.

Asked about that, Mr. Sharon said, "There was enough consultation."

The document marked the first agreement of its kind between Israel and the United States, although the two countries have cooperated in military affairs as part of their "special relationship" since Israel's birth in 1948.

"It was what we sought," Mr. Sharon said. He added that the accord contained a "secret aspect," but declined to elaborate. "This puts our relations on a whole new level," he said in a talk with Israeli reporters.

The two nations agreed Monday on minor changes in language that will allow Britain, France, Italy and the Netherlands to participate in a peacekeeping force in the Sinai after Israel returns the occupied territory to Egypt on April 25.

U.S. Defense Secretary Caspar W. Weinberger and Mr. Sharon signed the four-page memorandum late Monday.

Aimed at 'Soviet Threat'

The memorandum said the strategic cooperation "is designed against the threat to peace and security of the region caused by the Soviet Union or Soviet-controlled forces from outside the region introduced into the region."

"It is intended solely for defensive purposes against the above-mentioned threat."

Mr. Sharon said the phrase "Soviet-controlled forces" referred to Cubans, North Koreans and other non-Arabs who supported Moscow. He said the United States wanted the document to refer only to Soviet forces, but compromised.

The agreement establishes a council to guide joint working groups in planning cooperative military exercises and in monitoring operations under way.

The document appeared intentionally vague and apparently is designed only to lay the groundwork for future cooperation in fields ranging from joint maneuvers to possible storage of U.S. equipment on Israeli soil.

It said the working groups will help plan air and naval exercises in the eastern Mediterranean as well as "readiness activities" that include U.S. access to maintenance facilities.

The memorandum does not have to be approved by Congress since it is not a treaty or a defense pact. It had been sought by Israel since September to counterbalance the U.S. military relationship with Saudi Arabia.

The wording of the memorandum, based on a U.S. draft approved by the Israeli Cabinet, ruled out U.S. cooperation with Israel in combating Syria, Libya and the Palestine Liberation Organization.

Syrian Reaction

DAMASCUS (AP) — Syria's foreign minister told Philip C. Habib, President Reagan's special Middle East envoy, on Tuesday that the signing of the cooperation pact with Israel rules out any U.S. role as a mediator of the Arab-Israeli conflict, Syrian sources said.

The source said that Foreign Minister Abdel Halim Khaddam informed Mr. Habib at their meeting that the pact had made the United States "a direct party in this conflict."

Mr. Habib's meeting with Mr. Khaddam followed two days of talks by the U.S. envoy with Lebanese leaders in Beirut. The sources said Mr. Habib also had asked to meet with Syrian President Hafez al-Assad.

During a string of television and newspaper interviews Monday, Mr. Allen expressed confidence that he would be cleared of any suggestion of impropriety.

India Vows to Match Buildup by Pakistan

By Michael T. Kaufman
New York Times Service

NEW DELHI — A Defense Ministry official told Parliament Tuesday that India was stepping up its military preparedness because of the recent U.S. decision to sell sophisticated arms, including F-16 fighters, to Pakistan.

"We are acting swiftly and in a planned manner," said Shivraj Patil, the deputy defense minister, who declined to spell out specific steps during his testimony before the upper house of Parliament.

Although Prime Minister Indira Gandhi has warned that war clouds were massing around the issue of U.S. military links to Pakistan, Mr. Patil's comments were the clearest public expression of anxiety since the U.S. Congress permitted the arms deal to go through last month.

Mr. Patil echoed the public Indian view that the introduction of the 40 F-16 fighters into Pakistan along with other sophisticated equipment would alter the balance that has helped maintain peace between India and Pakistan for 10 years.

Some Indian foreign policy experts concede privately that they regard the political dangers of a restored U.S.-Pakistan arms supply relationship as far greater than the military risks that may be faced by India's vastly larger army.

'A Generation Ahead'

Nonetheless, Mr. Patil declared that the transfer of the fighters, communications systems and tanks in the \$3.5-billion package involved "the induction into this region of a class of armament at least a generation ahead of anything operating with the other armed forces of the subcontinent."

Washington and Islamabad have said that delivery of the F-16s would be gradual and take several years, but Mr. Patil said his ministry believed the planes were likely to begin arriving "very soon."

Mr. Patil repeated the assertions of Mrs. Gandhi that the quantity and quality of arms being sought by Pakistan could not be intended to repel possible incursions by the Soviet Union from Afghanistan.

The arms appear far in excess of Pakistan's legitimate defense requirements," Mr. Patil said.

He said the government had made it clear to Pakistan that New Delhi could not feel disturbed about the threat to peace and stability of the subcontinent posed by the acquisition of such offensive weapons.

Allegation Dismissed

Mr. Patil dismissed a suggestion by a member of Parliament that India was being reactive in its defense policies; he also said the government was not trying to create a sense of insecurity by conveying the impression that war was inevitable. "But we are definitely trying to keep them ready for any eventuality," he said.

In Pakistan, government officials last month expressed fears that India seemed tempted to exploit the arms deal as a pretext for launching a punitive strike against Pakistani installations to humiliate Pakistan.

This fear was shared by several highly placed Western diplomats in New Delhi, one of whom declared that he did not believe Mrs. Gandhi could tolerate a militarily resurgent Pakistan with open-ended supply lines to the U.S.

It is the long-range implications of Pakistan supported by the wealthy Islamic states of the Gulf and drawing closer to Washington that Indian diplomats say privately that they find upsetting.

Victories for Gandhi Party

NEW DELHI (UPI) — Prime Minister Gandhi's governing party won eight of 14 seats in by-elections for state assemblies during the weekend, according to a newspaper report Tuesday.

The by-elections in 16 state assemblies were the first major test for the governing party since the 1980 general elections that returned Mrs. Gandhi to power.

Mr. Gandhi's Congress-I Party retained three seats in Andhra Pradesh, and one each in Tamil Nadu, Maharashtra and Gujarat, the Statesman newspaper said. It retained one seat and gained a second in Bihar state. The other seats were divided among several parties.

French Aides In Disaccord

(Continued from Page 1)

impact of his clear separation from government policy, Mr. Delors also said:

"I serve the state. I take my risks. I am ready to start again at zero. I am ready to cross the desert again if necessary. I believe that when one serves the state, one should not keep one's self too much to the left or right, think about one's career. One should say what he thinks. And I assure you that I am heard, even if I am described as hard to get along with within the government."

This was interpreted as an indication that Mr. Delors realized his open opposition to the swift pace of Mr. Mauroy's reform attempts could lead to his being asked to resign. In addition, he accompanied his remarks with acerbic criticism of government officials — whom he did not name — who he charged allow themselves to be carried away by their own rhetoric.

"There are two styles possible in France," he said. "There is the one that consists of holding declarations close to reality. This is the one I support. And there is the other style, which is very Mediterranean and which, by the way, gives France magnificent orators. It consists of speaking three kilometers away from reality."

Although he was not named and actually comes from Lille in northern France, there has been press criticism of Mr. Mauroy for announcing reforms, such as a series of employment measures and business loans, without having taken enough time to work out the theory, legislation and administrative steps necessary to make them possible.

In any case, Mr. Mauroy responded the next day during a visit to the southeastern city of Grenoble — a visit during which Mr. Delors accompanied him but remained silent.

"The reforms and changes announced by the president of the republic and wanted by Frenchmen will be carried out," Mr. Mauroy said.



PARLIAMENTARY PRECEDENT — Standing before Big Ben, former Labor Party minister Shirley Williams returned to Parliament Tuesday as the first elected MP of the Social Democratic Party. With her were two other founders of the party, William Rodgers, left, and David Owen.

WORLD NEWS BRIEFS

French Intercept Greenpeace Ship

LONDON — A French naval vessel intercepted the British-captained Greenpeace protest ship, Vega, Tuesday and ordered it to stay 42 miles (68 kilometers) away from the nuclear test zone at Mururoa Atoll, the Greenpeace environmental protection organization said in London.

The French naval vessel intercepted the Vega about 80 miles from the atoll in French Polynesia in the South Pacific, Greenpeace said. The skipper of the Vega told the French authorities that the order was contrary to international law and that he would ignore it.

In a press release, Greenpeace said that the significance of the 42-mile limit was not clear, but that it corresponded to a similar zone cordoned off by France during atmospheric nuclear tests in the early 1970s.

NATO Base off Scotland Approved

EDINBURGH — Britain approved construction Tuesday of a NATO emergency air base on the island of Lewis off the western coast of Scotland, despite objections from the Presbyterian island inhabitants.

NATO is to meet almost all of the \$40-million (\$75-million) cost of extending runways, building fuel storage tanks and running an undersea fuel pipeline to the existing Royal Air Force base built 20 years ago at Sionnroway, administrative center of the Western Isles. The island of Lewis — noted for its production of homespun tweeds — is the northernmost of the Western Isles.

In The Hague, meanwhile, the Dutch government decided Tuesday to join its 14 NATO partners in endorsing Spanish entry into the alliance, a government spokesman said.

China Assails Uranium Sale Report

PEKING — The Chinese news agency said Tuesday that the United States and the Soviet Union have both been spreading "groundless" reports that the Chinese sold uranium to South Africa in order to sow discord between Peking and the Third World.

In an unusual portrayal of alignments of the major global powers, the agency said in a commentary: "Washington and Moscow performed a duet in spreading the lie about China selling nuclear fuel to South Africa." It said that the reports were "utterly groundless."

The agency said that the Americans and the Russians have castigated "countries which have exported small quantities of nuclear fuel for peaceful use of nuclear energy" as proliferators of nuclear arms, while they themselves have sold "large quantities" of nuclear fuel overseas.

Belfast Rules on Death of Fasters

BELFAST — A coroner's jury ruled Tuesday that the deaths of 10 Irish nationalist hunger strikers at Belfast's Maze prison earlier this year were caused by "starvation, self-imposed."

The verdict, reached after 12 minutes of deliberation, were returned after a daylong inquest at which coroner Arthur Orr ruled out consideration of political motives behind the protest. Mr. Orr told the jury that it had to determine only the cause of death and should ignore the political and sectarian issues that led to the fast.

When an attorney for the family of Bobby Sands, the first hunger striker to die, argued that the reason Mr. Sands refused food was relevant to the jury's verdict, Mr. Orr overruled him and said: "Neither the jury is concerned why he [Sands] went on hunger strike. It is sufficient to establish that he did."

Spanish Cabinet Is Reshuffled

MADRID — Premier Leopoldo Calvo Sotelo shuffled his Cabinet Tuesday night in another move to hold the minority coalition together.

The new government, Mr. Calvo Sotelo's second since an attempt by military officers to overthrow the government nine months ago, brought loyal followers of the centrist premier into the Cabinet following the defection by leading Social Democrats from his Union of the Democratic Center party a month ago.

The premier replaced eight of his 18-member Cabinet but did not change any key ministries.

Seychelles Asks Return of Plotters

VICTORIA, Seychelles — President Ernest René urged the Organization of African Unity on Tuesday to back his appeal to South Africa for the return of 44 mercenaries who staged an abortive coup attempt here last week.

Mr. René also accused the former president, James Mancham, whom he deposed in a 1977 coup, of being involved in the plot. Ten mercenaries, all South Africans, were reported to have been captured in the Seychelles.

In a national address broadcast over Radio Seychelles, Mr. René said the government will believe South African claims that it had nothing to do with the attack if it returns the mercenaries for trial by an international court appointed by the United Nations. The 44 were arrested in Durban, South Africa, last Thursday after they fled the Seychelles aboard a hijacked jet.

France, Algeria Reach Reactor Accord

PARIS — A French company has been given approval to begin a feasibility study for Algeria's first nuclear power station, it was announced Tuesday. The announcement came during a two-day visit to Algeria by President Francois Mitterrand.

Sofratome, a joint subsidiary of the French Atomic Energy Agency and the state-run utility, Electricite de France, said the study will be prepared for the Algerian utility Sonelgaz.

A Sofratome spokesman said Algeria was interested in a 600-megawatt generating station using pressurized water reactor technology. A location for the plant, which could be in operation by the mid-1990s, has not been selected, the spokesman said.

PLO's Flag and Map Stay Put at UN Despite Efforts of Guards, Officials

Washington Post Service

UNITED NATIONS, N.Y. — The Palestine Liberation Organization has taken on and defeated six UN guards, four undersecretaries-general and Secretary-General Kurt Waldheim over a piece of choice turf in a UN corridor on which to fly the PLO flag.

"The secretary-general's will does not even run in the UN's corridors," said Israeli Ambassador Yehuda Blum, whose protests led to a six-hour siege Monday that failed to dislodge the PLO.

The occasion was the United Nations' annual Palestinian Solidarity Day, which features a meeting focusing on the Palestinians.

This year, UN television stationed a camera crew outside the conference room to interview diplomatic participants. As a backdrop, the crew put up a sizable Palestinian flag and a map of the Middle East that focused on a country identified as "Palestine," while omitting Israel completely.

The Israelis, protesting the presence of both map and flag, alerted William B. Buffum, a former U.S. diplomat who is undersecretary-general for General Assembly affairs. He in turn called Yakushi Akashi, the undersecretary for public information, who had provided the TV crew.

Mr. Akashi, escorted by six security guards, tried to remove the symbols, but was told by chief PLO representative Zehdi Labib Terzi that he would use force if necessary to prevent them from being taken down, according to one of the guards.

At this point, Mr. Blum called Mr. Waldheim, who said he was aware of the problem and was trying to resolve it, according to an Israeli spokesman.

Shortly thereafter, four undersecretaries, including Mr. Buffum, Mr. Akashi and Brian Urquhart, who runs the UN peacekeeping forces, conducted an unsuccessful sortie against the map and flag, which remained on display until the ceremonies ended Monday night.

Inquiry Finds 'No Violation' In \$1,000 Payment to Allen

(Continued from Page 1)

viewed about the Allen case. Japanese law officers questioned Japanese citizens at the FBI's request, and the FBI interviewed the Americans concerned.

"In sum, when the uncontradicted facts are analyzed in the context of possible applicable criminal laws, it is clear there was no criminal violation by Allen regarding the \$1,000," the department said.

The Justice Department said that the money was received by Mr. Allen but intended as an honorarium for Mrs. Reagan, and that there was no evidence that the cash was intended for Mr. Allen.

"Allen did not intend to keep the money for his personal use," the government said. "Both Allen and his secretary agree on Allen's expressed intent to turn the money over through the proper channels."

Justice Department spokesman Thomas P. DeCair said Attorney General Smith delivered a copy of the Justice Department report and his findings to presidential coun-

selor Edwin Meese 3d at the White House on Tuesday shortly before the formal statement was released. Mr. DeCair said Mr. Allen was notified of the decision by an assistant attorney general.

Mr. DeCair declined to speculate on when a decision may be made regarding whether the special prosecutor provision of the Ethics and Government Act might apply to Mr. Allen's receipt of the watches or the error the national security adviser made in his financial disclosure form.

Since going on leave, Mr. Allen has said repeatedly that he intends to resume his White House job. President Reagan, when asked Monday during a political stop in Cincinnati whether he expects Mr. Allen back on the job, replied, "Let's see how the investigation turns out."

At the White House on Tuesday, spokesman David R. Gergen declined to answer any questions on the case until officials had a chance to review the Justice Department decision.

He did say, however, that Mr. Meese was speaking for "the president and the administration" when he told reporters Monday that the department's finding would influence, but not necessarily determine, whether Mr. Allen gets his job back.

The Justice Department statement said Mr. Meese turned over copies of documents found in a safe used by Mr. Allen to the attorney general Sept. 21.

During a string of television and newspaper interviews Monday, Mr. Allen expressed confidence that he would be cleared of any suggestion of impropriety.



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New Zealand Recount Gives Muldoon Majority

Reuters

WELLINGTON, New Zealand — New Zealand's political scene was in confusion Tuesday after several counting errors were discovered in the results of Saturday's election. One of the errors, when corrected, left the ruling National Party with an absolute majority.

At the latest count, Prime Minister Robert D. Muldoon's government holds 47 seats over the Labor Party's 43 and the two controlled by the Social Credit Political League. The National Party held a 50-39 edge over Labor in the previous House of Representatives.

Errors were discovered in four constituencies. The most important was in the North Island provincial town of Gisborne, where a check revealed 100 votes had been given erroneously to the Labor Party candidate who originally was announced as the winner.

The revised figures reversed the result, returning the Gisborne seat to the National Party.

The added seat will give the government a working majority. Originally, its 46 seats were equaled by Labor's 44 and Social Credit's two. The government would have been in a minority after appointing a non-voting speaker.

The revised results are a major blow for Labor and for Social Credit, which under the original count held the balance of power.

Recounts in three other constituencies Tuesday, however, left the National Party with majorities in each of less than 75 votes. These counts are expected after counting of absentee ballots — which is expected to take more than a week — or by legal recounts if voting irregularities are alleged.

Margin Is Narrowed

In the Auckland constituency of Eden, Immigration Minister Anusie Maloim had his victory margin cut from a comfortable 285 votes to 72 after counting errors were corrected.

Correction of other errors cut the National Party's majority to 42 in one seat but raised it from 16 to 24 in another.

Following the revision of the Gisborne result, Social Credit leader Bruce C. Beetham canceled a meeting planned for Wednesday with Labor leader Wallace E. Rowling, saying it would be wiser to await the results of other vote checks.

Mr. Rowling was clearly dismayed by Tuesday's developments. "I am disturbed that such a significant number of votes has apparently been miscounted or uncounted," he said.

The Labor leader is expected to be quickly replaced if final results show that he has lost his third consecutive election to Mr. Muldoon, a contest in which the candidates' personalities appeared to be more of an issue than political or economic differences.

Russia, U.S. Give Views

(Continued from Page 1)

The differences did surface publicly when it became clear that the two sides could not yet agree on a name for the talks.

Different Labels

The United States is calling them Intermediate Nuclear Force negotiations, or INF, the same term used by Mr. Reagan in his speech announcing the zero option proposal.

This was meant to reflect the American belief that the first thing to be negotiated should be intermediate-range, nuclear-tipped missiles able to fly roughly between 1,000 and 3,000 miles because they represent the gravest threat to each side's military forces and to a preemptive first strike in a crisis.

A Soviet correspondent here, however, told colleagues that Moscow wanted to call the negotiations "Talks on the Reduction of Nuclear Arms in Europe," a description that would seem to encompass the U.S. aircraft in Europe plus the British and French forces. While the correspondent's remarks were unofficial, U.S. sources confirmed that there had not yet been an agreement on what the talks should be called.

Reagan Concedes U.S. In Recession, but Vows To Pursue Budget Cuts

By Steven R. Weisman
New York Times Service

CINCINNATI — President Reagan told 250 Republicans here that he would "not retreat one inch" in the pursuit of his program of deep budget cuts and tax cuts even though he conceded that the United States was in a recession and that unemployment had risen.

Outside the Westin Hotel, where Mr. Reagan spoke Monday, several hundred demonstrators chanted and carried signs protesting his economic policies.

Mr. Reagan's appearance marked the conclusion of his week-long Thanksgiving holiday at his ranch in Santa Barbara, Calif. He left Cincinnati after his speech and flew to Washington.

With his wife, Nancy, at his side, Mr. Reagan used the occasion of the \$2,500-a-plate Republican fund-raising reception to ridicule Democrats in general and House Speaker Thomas P. O'Neill Jr. in particular.

Mr. Reagan got some of his Republican and Democratic political foe mixed up when he attacked the Democrats for using a phrase that is generally attributed to one of the most respected Republican leaders in the modern history of Congress.

Recalling that his budget battle with Congress last week came down to a \$2-billion difference, Mr. Reagan derided his opponents for saying that that "mere" sum was not worth shutting down the government.

He cited an unnamed member of the "spendthrift fraternity" as saying, "a billion here, a billion there, it adds up." The comment was an observation attributed to Everett M. Dirksen of Illinois, the Senate Republican leader who died in 1969.

Noting at another point that Rep. O'Neill, a Massachusetts Democrat, had been quoted as saying that Mr. Reagan failed to understand the budget, the president drew laughter from his partisan audience by saying, "Maybe we're not talking about the same budget."

U.S. Senate Delay Seen in Debate on Ousting Williams

Washington Post Service

WASHINGTON — Senate leaders have agreed to postpone until early next year debate on whether to expel Sen. Harrison A. Williams Jr. of New Jersey because of his Abscam bribery conviction, Senate sources said. Debate had been scheduled to begin Thursday.

The agreement was made Monday after Sen. Daniel K. Inouye, a Hawaii Democrat, volunteered to represent Sen. Williams, a liberal Democrat, on the Senate floor but said he would need a month to prepare his case, leadership sources said. The Senate Ethics Committee voted unanimously in August to recommend the expulsion of Sen. Williams, a 23-year veteran of Congress.

Monday's postponement means that a vote on expulsion by the full Senate is unlikely until after Jan. 19, when newly elected Republican Thomas Kean becomes governor of New Jersey. If Sen. Williams is expelled after that, Mr. Kean would appoint his successor. The Republicans thus could increase their Senate majority from 53 to 54 members.

Fearful of the political fallout, Republicans had been reluctant to seek a delay on their own. But Senate Majority Leader Howard H. Baker Jr. of Tennessee agreed to put off debate after meeting with Senate Minority Leader Robert C. Byrd of West Virginia and Sen. Inouye, Senate sources said.

Mr. Reagan's Budget Games

Mr. Reagan asserted that the Democrats were playing games with the budget by deliberately appropriating less money than actually was required for some programs, knowing that those programs would later need supplemental appropriations to continue operating.

The president acknowledged that the number of people without jobs had risen, but he added that total employment also had grown, by 264,000 people in the last 10 months. The Democrats, he said, offer nothing but "a return to the bankrupt policies of higher spending and higher taxes."

He concluded by citing a letter he said he had received from a blind person. "He wrote in Braille to tell me that if cutting his pension would help get this country back on its feet, he'd like to have me cut his pension," Mr. Reagan added. "We're not going to cut his pension. We're sure going to get this country back on its feet."

Upon his return to the White House, Mr. Reagan will plunge into a full round of activities, including decisions on the budget for the fiscal year 1983, which is to be presented to Congress in January.

On Friday, the president plans to conduct the first budget "appeals sessions," at which Cabinet members will be given a chance to urge him to rescind some of the deep cuts being sought by David A. Stockman, director of the Office of Management and Budget.



Hundreds of people lined up in a "soup line" near the Cincinnati hotel where President Reagan spoke at a \$2,500-a-plate fund-raising dinner. They called Mr. Reagan a "rich man's president."

O'Neill Challenges Administration To Find Votes for Foreign Aid Bill

By Helen Dewar
Washington Post Service

WASHINGTON — House Speaker Thomas P. O'Neill Jr. has called President Reagan's hand on the budget by inviting the administration to produce enough Republican votes in the House to pass a foreign aid appropriations bill.

Chafing under charges from Mr. Reagan that Congress is dragging its heels on money bills, Rep. O'Neill, a Massachusetts Democrat, told reporters Monday that the Democratic-controlled House has approved all appropriations bills except the one dealing with foreign aid — and that Republican opposition is responsible for the delay on foreign aid.

Rep. O'Neill said he plans to bring up the foreign aid bill on the House floor before the Dec. 15 deadline for another interim spending bill for the government, and he served notice on Mr. Reagan that, if he wants a foreign aid bill, it will pass only with Republican help.

During last month's battle over the catchall government spending measure, the administration lobbied for more money for foreign aid than the House proposed, while insisting on less than the House wanted for domestic social programs. The House-Senate compromise that was vetoed by Mr. Reagan also provided less for foreign aid than Mr. Reagan wanted.

As Rep. O'Neill was throwing down his foreign aid gauntlet,

House and Senate Republican leaders returned from their five-day Thanksgiving recess to meet again with administration officials in hopes of finding some accord on spending cuts for the new government funding bill that is due Dec. 15.

Embarrassed by a one-day government shutdown that resulted from Mr. Reagan's veto of the catchall spending bill, congressional Republicans are trying to reach

Another Buyer Is Sought for UPI

The Associated Press

CINCINNATI — The E.W. Scripps Publishing Co. says that it is looking for another buyer for United Press International because purchase talks with the British international news agency, Reuters Ltd., had broken off.

Scripps President Edward Estlow said here Monday that his company is "continuing exploratory talks with others" in its efforts to sell UPI, the financially ailing news agency.

In a report Oct. 5 to UPI subscribers meeting in New York, Mr. Estlow said that "several organizations were interested in UPI and were analyzing UPI's operations." Neither Scripps nor Reuters would say why the 4-month talks broke down, but a Reuters spokesman in London said that the break was final.

agreement in advance with the administration before the next funding deadline. But before they can agree on spending levels, they have to find a common ground for computing the budget figures, which was a major problem in the earlier showdown.

"We're a distance from the final product, but we're moving in a very cohesive direction now," said the Senate Appropriations Committee chairman, Mark O. Hatfield of Oregon, after meeting with the White House chief of staff, James A. Baker 3d; David A. Stockman, director of the Office of Management and Budget, and other administration officials.

Sen. Hatfield, a Republican, said he was confident a package satisfactory to the administration could be assembled fairly soon. He did not venture to predict whether it would be accepted by the House.

Mr. Reagan is insisting on at least half the \$8.4 billion in domestic appropriations cuts that he proposed last September. Administration budget officials claimed that the vetoed congressional compromise would have given him less than \$2 billion.

House Democratic leaders have not been included in the latest negotiations with administration officials. "If they want to talk to us, we're available, but they aren't interested in talking to us," said Rep. O'Neill. "They're concerned with victory. . . . The art of compromise isn't in their lexicon."

Republican Meese Supports Haig On Salvadoran Policy

By Hedrick Smith
New York Times Service

WASHINGTON — Edwin Meese 3d, the president's counselor, has reinforced the Reagan administration's warnings on Central America by asserting that President Reagan has not ruled out a blockade or other strong actions aimed at halting the flow of arms into El Salvador.

The stern tenor of his remarks to reporters at a breakfast meeting on Monday, along with a series of public statements concerning possible action in the Caribbean region, suggested he was siding with the assertive posture taken by Secretary of State Alexander M. Haig Jr. over the more cautious stance of the Defense Department.

Although Mr. Meese said that Mr. Reagan had ruled out sending U.S. ground troops into Nicaragua or other countries, he denied any inconsistency between that position and Mr. Haig's new warnings about Cuban activities. And he challenged a reporter's suggestion that the administration's sharp statements might make it "look like a paper tiger" if there were not a forceful follow-up.

"I don't think we'll look like a paper tiger," Mr. Meese said. "I think the secretary of state has been very carefully plotting a course that puts Cuba, Nicaragua and other countries engaged in aggression in Central America on warning. Al Haig has done an excellent job of portraying the position of this administration, which we will not countenance subversion being imported into Central America."

Mr. Florio said a recount of the 2.3 million votes had cost him \$40,000 and that the effort had been worth the expense since it removed any doubt about Mr. Kean's victory. Mr. Kean had a 1,577-vote lead after the initial count and, although 3,000 votes have changed in the recount, Mr. Kean's lead has remained virtually unchanged.

The recount will continue, but Mr. Florio abandoned his request for a manual recount of computer card ballots in three counties. This will enable the few remaining ballots to be counted by machine.

Mr. Kean issued no statement. His aides said he planned to make his first public statements as the governor-elect on Wednesday.

A spokesman for Mr. Kean said: "We are pleased that at last the election result is accepted and we can now actively recruit people for the new administration, something we couldn't do until all doubt had been removed."

subsequently called Miguel d'Escoto Brockmann, the Nicaraguan foreign minister, to Mexico City to relay the Haig message.

In separate television interviews two days later, Mr. Haig and Mr. Meese cautioned that there was limited time to deal effectively with the government in Nicaragua because of what they described as a military buildup in that country. Mr. Haig charged that there were 3,000 Cubans in Nicaragua, working on military assistance as well as education and economic development.

Last Saturday, during an appearance at Valley Forge, Pa., Mr. Haig charged that Cuba had "40,000 to 50,000 mercenaries deployed abroad" and that Cubans were engaged in "subversion, propaganda and interventionism" in Colombia, Guatimala, Honduras and El Salvador.

These and other comments by the secretary of state have been interpreted here as an effort to create a climate in which public opinion would tolerate or support some strong though unspecified U.S. action in the Caribbean and to keep Cuba, Nicaragua and other nations off-balance.

Foe Finally Concedes In Gubernatorial Race

New York Times Service

TRENTON, N.J. — After almost a month of uncertainty, Rep. James J. Florio has conceded defeat in the close gubernatorial election held Nov. 3.

"The people have selected Tom Kean," Mr. Florio said Monday as he yielded to Thomas H. Kean, a 46-year-old Republican. Mr. Kean, a former assembly speaker, was scheduled to be sworn in as New Jersey's 71st governor on Jan. 19.

Mr. Florio, a Democrat, telephoned Mr. Kean Monday morning and paid a courtesy call on Gov. Brendan Byrne at the state capitol before announcing that he "will not in any way contest the election."

Cuban Activities Watched

From the outset of the Reagan administration, Cuban activities, and particularly Washington's charge that arms have been flowing to El Salvador through Cuba and Nicaragua, have been what Mr. Haig called "a focal point of our attention." This fall he asked the Pentagon to examine the possibility of blockading Nicaragua or taking various military actions around Cuba, including a show of air power, a large naval exercise, a quarantine on the shipment of arms to the island, a blockade or even a possible invasion.

Senior Pentagon officials were wary of such strong action, recalling earlier public reaction to talk of American military involvement in El Salvador, and fearing that their own resources were being stretched too thin. To calm public anxieties, Mr. Reagan told a news conference on Nov. 10 that "we have no plans for putting Americans in combat any place in the world."

But on Nov. 27, Mr. Haig flew to Mexico to convey his growing alarm to President José López Portillo. The Mexican government

Angolans Blame Refinery Attack On South Africa

Reuters

LISBON — Angola accused South Africa on Tuesday of sending mercenaries to destroy its only oil refinery, which was damaged in a fire Monday night. A South African spokesman denied the charge.

The Angolan news agency Anop said the blaze at the Belgian-controlled Petrangol refinery outside Luanda was caused by powerful bombs which exploded in strategic parts of the sprawling complex.

It quoted Angola's oil minister, Lt. Col. Pedro Van Dumen, as telling a news conference in Luanda that the fire was an "act of economic sabotage by racist South Africa, using a group of white mercenaries."

In Pretoria, a Defense Force spokesman said, "It is quite obvious that the Marxist government of Angola would like to use South Africa as a scapegoat for its inability to control the civil war in its country."

The Lisbon office of UNITA (National Union for the Total Independence of Angola), which is fighting a guerrilla war against the Luanda authorities, has claimed its forces were responsible for the refinery attack. Unconfirmed reports in the past have said South African forces have a working relation with UNITA.

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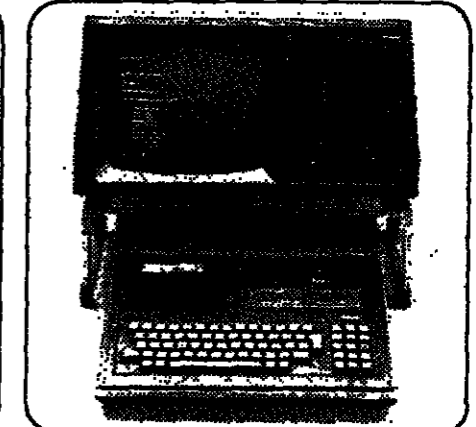
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Back to Camp David

The Arab summit called to endorse the Saudi peace plan collapsed. Syria was the spoiler. It could play this role because, despite its low standing outside the Arab world, inside it has the high status of a front-line state closely aligned with the PLO; it also has, in Libya, a second patron besides Saudi Arabia. Supposedly the masters of a sinuous oil-backed diplomacy, the Saudis got out ahead of the Arab curve. Although Israel had rejected their plan as offering too little in the way of eventual recognition, the other Arabs found that the Saudis offered too much. Whether the Saudis will get back out in front looks doubtful. Whether they will reduce their peacekeeping in Lebanon and drop their Syrian brothers back into the soup there seems less doubtful. Lebanon is the likely site of the next Mideast fire.

It is some consolation that the Saudi plan aborted before it was truly launched, rather than after, when the wreckage might have included more than the royal family's pride. But otherwise the crash is a genuine disaster, not so much for the Saudis as for the Israelis and Palestinians.

Israeli officials, after the summit, said the crash proved the unworthiness of American faith in Saudi leadership and the general unreadiness of Arabs to move toward peace. This lesson comes poorly from a government that took what steps it could to discredit the

Saudi overture, including overflights of Saudi territory and threats to answer the plan's eight points with "eight new West Bank settlements." Smart Israelis, hawks included, could see the promise of eventual Saudi recognition, but the Begin-Sharon annexation-minded view, which prefers territory, has prevailed.

Although PLO chairman Yasser Arafat had earlier indicated favor for the plan, at the summit he veered in to the dissidence within his group and withheld his support. The PLO's standard complaint against Camp David is that from the start the PLO itself was on the outside. Here it let pass a chance to get in at the beginning.

So the Saudi safety net is unstrung. There remains the Camp David high wire.

The Israelis had feared lest attention be drawn outside the one Mideast peace process established on their terms. They suggest that the United States now spare no effort to make those talks succeed. But American recommitment to the process is no substitute for Israeli dedication to the purpose, which is, as Egypt keeps underlining, to grant West Bank Palestinians enough autonomy to draw them in. No one should underestimate the difficulties: PLO murders of would-be collaborators, for instance. But Mr. Begin knew this when he signed on.

THE WASHINGTON POST.

A Human Rights Policy

The Reagan administration is finally talking sense on human rights. A State Department memorandum asserts what should have been made plain months ago — that human rights are at the core of American foreign policy, that Washington should condemn violations even when the offending country is an ally, and that doing so "means trouble."

Welcome words. But the test will be how forthrightly they are put into effect by Elliott Abrams, the State Department's new human rights troubleshooter. If he means business, and if the administration is serious about evenhandedness, there are two obvious places to prove it — Brazil and Turkey.

In Brazil a military tribunal in Sao Paulo has once again convicted "Lula," the country's best-known union leader. Luis Inácio da Silva is to Brazil what Lech Walesa is to Poland: the insurgent champion of independent unionism and the right to strike. Under Brazil's repressive laws — modeled on Mussolini's Labor Code — those objectives are criminal. If their appeals fail, "Lula" and 12 co-defendants can serve up to 3½ years for organizing a metalworkers' strike.

What may really trouble Brazil's military rulers is da Silva's bid for political power through a new party that makes common cause with a social-minded Catholic Church. It is like Solidarity's struggle in Poland. If

Reagan officials mean what they say about free unionism in Poland — or, for that matter, in Nicaragua — then the jailing of Brazil's unionists cannot be ignored or excused.

In Turkey, the year-old military regime continues to promise a return to democracy, but it cannot bring itself to say when. A sanitized press is forbidden to report political dissent, a ban that was bravely challenged by former Premier Bulent Ecevit. He circulated to foreign journalists a statement that began: "Democracy cannot be achieved by disbanding political parties."

Ecevit leads the left-of-center Republican People's Party, the oldest and largest in Turkey. For stating the self-evident, he was sentenced to four months in prison. A reasonable conclusion is that Turkey's generals want the semblance of democracy, not its inconvenient reality, very like gold-braided counterparts elsewhere.

Americans can accept that Turkey has had its serious security problems, and that Brazil is trapped in the contradictions of rapid but inequitable development. But democracy can never take root if its exponents are slammed into prison, and America should be tireless in saying so. Abrams' assigned task as chief of the State Department's human rights bureau is to make judgments, not excuses.

THE NEW YORK TIMES.

Twisting Slowly, Slowly

There is something all backward about Richard Allen's decision to take a leave of absence from his duties as White House national security adviser to go to the public with his responses to the allegations that have been plaguing him for the past few weeks. No more than any other White House aide does Mr. Allen have a "public" whom he must please in order to hold his post. He has a boss, one man, the president of the United States. Presumably Mr. Allen believes that his usefulness to his chief has not been impaired. But, in the last analysis, this is for the president to decide.

Mr. Reagan evinces a strange diffidence, as Mr. Allen, reportedly on his own, takes to the ramparts full-time. Need he be reminded that he has a formidable investigative apparatus, called the Justice Department, already engaged in an examination of Mr. Allen's af-

airs, and that Congress has by law mandated the appointment of a special prosecutor, outside Justice, if that department cannot expeditiously lay to rest serious charges against a high federal official? Surely Mr. Reagan does not intend to let the Allen affair be resolved by a straw vote of the public — or, for that matter, by a straw vote of the White House inner circle.

At this point what is needed is not a defense of Mr. Allen by himself but a specific, hardheaded determination by the president of how the public trust is to be served in his administration and whether he thinks Mr. Allen has served it. It does no one any good to have Richard Allen twisting slowly, slowly, bereft of official support, while the president acts as though this were happening in an administration other than his own.

THE WASHINGTON POST.

Other Opinion

The Saudi Setback in Fez

The collapse amid recriminations and within hours of its opening of the Arab summit conference in Fez, Morocco, is a diplomatic setback for Saudi Arabia. Having burnt their fingers, they will think twice before they resume the initiative in Arab affairs. What happened at Fez has shown them how limited is their capacity to assume a major diplomatic role in the Arab world.

—From The Times of India (Delhi).

Raining In the Superpowers

[The superpowers would not be talking] if it had not been for pressure from Western Europe and especially from Herr Schmidt, the West German Chancellor. In the nuclear age,

the world cannot do without continuous attempts by the superpowers to bring their rivalry under some degree of control.

—From The Times (London).

Southward Options for Russia

Under today's conditions, Baluchistan provides students of global strategy with plenty of material. The question is whether the Soviets have most interest in a formally independent Baluchistan, a "greater Afghanistan" extending to the Arabian Sea or a Pakistan weakened by internal dissension. It might well be simpler to penetrate to the Gulf through Iran, torn as that country is by unending strife.

—From the Neue Zürcher Zeitung (Zurich).

Dec. 2: From Our Pages of 75 and 50 Years Ago

1906: Woodrow Wilson Eyed

NEW HAVEN, Conn. — The New Haven Union has published an article purporting to give details of a recent secret meeting in New York of leading Democrats for the purpose of sidetracking any plans Mr. William Jennings Bryan or Mr. William Randolph Hearst may have for gaining the presidency in 1908 and putting in nomination Mr. Woodrow Wilson, president of Princeton University. The article says the conservative forces of the Democratic Party are now beginning to work to bring about Mr. Wilson's nomination. He is said to be strong in New England and especially in the South, where Mr. Bryan is not wanted because of his views on government ownership of railroads.

1931: Jailed Labor Leader

SAN FRANCISCO — In an atmosphere tense with excitement, while 300 police patrolled outside, Mayor Walker of New York left a sickbed here to join with the galaxy of legal talent that appeared before Gov. James Rolph to plead for the liberty of Thomas J. Mooney, labor leader, whom thousands now contend has spent 15 years in San Quentin prison for a crime of which he is innocent. Mayor Walker had had word from Mooney, who said he would rather remain in jail than be pardoned for a crime of which he was not guilty. The mayor entered the building where the petition was being heard under a heavy police escort that fought back 5,000 parading and cheering Communists.

An Attempt to Apply Decent Reason to Nuclear Strategy

By Tom Wicker

NEW YORK — As theater missile negotiations start up in Europe, neither the Soviet Union nor the United States has categorically rejected the proposals of the other, and both say they seek substantial reductions.

The Reagan administration, moreover, has muted its talk of regaining nuclear superiority, and is proposing major cuts in strategic weapons. Negotiations on that subject will resume in January.

Does all this suggest that the moment may be ripening for a break in the ominously spiraling nuclear arms competition? Given its momentum on both sides, that may be unlikely. But several factors suggest at least the possibility: the Soviet Union's economic troubles, the effect in Moscow of the Reagan administration's tough talk, the European anti-nuclear movement threatening the cohesion of NATO, and Soviet achievement of nuclear parity — or superiority, in the American view — in the European theater.

Even more important may be the frightening growth of nuclear arsenals on both sides, giving no comfort to either. This buildup is widely recognized as ultimately suicidal — not for any nation or political system, but for mankind.

The use of these doomsday weapons would be so cataclysmic, Churchill

warned, that "the living would envy the dead." Yet history argues that so many weapons poised against one another cannot forever be held immune to accident, misunderstanding, demented policy or a gradual escalation of violence that no one intended.

So, George Kennan said recently, in a speech that received too little attention. "Sooner or later, all the governments on both sides of the East-West division will find themselves compelled to undertake the search for positive alternatives to the insoluble dilemma which any suicidal weaponry presents, and can only present."

Kennan pointed out that, contrary to some despairing views, the superpowers do have practical choices other than the extremes of a continuing arms race involving both, or unilateral disarmament by either. Speaking at Dartmouth College, he outlined several such alternatives — none of which, he argued, "would undermine anyone's security."

A temporary freeze on the further buildup of nuclear arsenals.

Deep mutual cuts in long-range strategic arsenals, which Reagan proposed in general terms on Nov. 18. Kennan has suggested a 50-percent reduction in Soviet

and American nuclear arsenals, leaving each superpower in relatively the same position against the other.

The denuclearization of Central and Northern Europe.

A complete ban on nuclear testing. A Soviet-American draft treaty has been negotiated but not ratified.

But before the United States could take any such steps in order to reduce the likelihood of nuclear war, Kennan warned, a "fundamental and extensive" change of views would be required, as well as a substantial rebuilding of the American defense posture.

First, he said, the idea would have to be accepted that "there is no issue at stake in our political relations with the Soviet Union — no hope, no fear, nothing to which we aspire, nothing we would like to avoid — which could conceivably be won by nuclear war" that could only destroy both countries and modern civilization. Not only that, but that nuclear war — a far different proposition from the silly "better Red than dead" slogan.

Second, a recognition that "there is no way in which nuclear weapons could conceivably be employed in combat that would not involve the possibility — and

indeed the prohibitively high probability — of escalation into a general nuclear disaster." This has just been supported by a report from the Institute for Strategic Studies in London, which concludes that the use of nuclear weapons, once begun, could not be "controlled."

But flowing, as Kennan said, "with iron logic" from these propositions would be a decision "to abandon the option of the first use of nuclear weapons in any military encounter" — a decision the West has never been willing to make, owing to Soviet superiority in conventional armaments.

Insistence on this "perilous and indefensible position," in Kennan's view, "has corrupted and vitiated our entire policy on nuclear matters." Its abandonment would force the United States and the West into greater reliance on conventional forces and weapons.

The former diplomat, one of the most experienced authorities on the Soviet Union, argued eloquently for a more mature and realistic American view of that great country. But even in the present "utilitarian" of thinking and discourse about Soviet-American relations," George Kennan's repeated pleas for nuclear sanity sound more and more like the most decent and rational instincts of mankind.

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MITI vs. the Pentagon: The High-Tech Odds Favor Japan

By Robert B. Reich

CAMBRIDGE, Mass. — Will Japan or the United States dominate world markets in high-tech products by the end of the decade? The odds favor Japan, but not, as commonly believed, because its high-tech firms get government subsidies while American firms must fend for themselves.

The term "high technology" covers, loosely, commercial products that incorporate advanced electronics. Research and development are richly subsidized in both nations. But only America systematically discourages marketing.

Japan's Ministry of International Trade and Industry and the U.S. Defense Department are both pushing businesses into "knowledge-intensive" industries. They underwrite basic research and development, pay a premium for technical reliability and performance, provide seed money for new ventures and encourage firms to enter into joint research projects under government auspices. MITI finances 16 percent of Japan's research and development; the Pentagon, more than 30 percent of America's.

Both bureaucracies are engaged in an intense race to develop:

• **Industrial robots.** MITI is investing heavily; the U.S. Air Force is developing an automated "factory of the future."

• **Lasers.** MITI has spent \$115 million since 1975; the Pentagon, \$130 million.

• **Aircraft.** MITI is developing a medium-range aircraft; the Pentagon, a vertical take-off and landing aircraft.

• **Computers.** MITI is investing \$320 million to develop the world's fastest computer, plus a futuristic "fifth generation" computer; the Pentagon is spending \$250 million on advanced computer research.

• **Semiconductors.** MITI is spending \$150 million on three-dimensional integrated circuits, high-temperature semiconductors, and very large scale integrated circuits; the Pentagon, \$210 million on these technologies.

• **Fiber optics.** MITI has invested \$100 million; the U.S. Army, \$180 million. Notwithstanding the near equivalence of these research and development subsidies, Japan is likely to surpass America in each area within the decade. Part of the reason is that MITI helps its high-tech firms become

more internationally competitive, while the Pentagon does the opposite.

Marketing of high technology is stimulated in Japan by domestic competition that forces firms to improve their performance and aggressively seek foreign outlets. MITI allows firms to cooperate on specific basic research projects but ensures that they are competitive in marketing. The Pentagon awards many large contracts without competitive bidding, and contractors' inefficiencies often cause substantial cost overruns. The Pentagon is more comfortable with large, stable contractors relatively immune to the uncertainties of competition.

A **String of Contrasts**

Marketing requires a long lead time, as firms apply the new technology to products and make sure they have adequate capital, labor and productive capacity to meet anticipated demand. Many MITI projects span a decade or more. Pentagon contracts are subject to relatively sudden changes in national security needs and prevailing policies.

Between 1967 and 1974, in the wake of Vietnam, defense-related research and development declined by \$3.7 billion (in constant 1972 dollars), drastically reducing demand for American scientists and engineers and retarding the development of various defense spin-offs. The precipitous increase in defense spending planned for the next five years will create shortages of engineers and scientists in advanced electronics and machinery, and bottlenecks in the production of subcomponents and capital goods.

Isolationists vs. U.S. Science

By Daniel S. Greenberg

WASHINGTON — Science in America is coming under pressure from high-ranking primitives who argue that if U.S. research is so good, it should be hidden from foreigners.

This notion, so at variance with the internationality of the workaday scientific process, looked like twitches of misunderstanding in a newly arrived administration; but backing for what amounts to scientific isolationism has so often been sounded at influential levels in Washington that it can no longer be dismissed as random nonsense.

A case for drawing scientific wagons in a circle is set out in the Defense Department's recent dirge, "Soviet Military Power," wherein it is alleged that the Soviets excel in all things military. The Pentagon notes ominously that U.S. scientists engaged in non-classified research publish their findings in journals available to anyone for the price of a subscription, and that they discuss their work at scientific conferences. All this "makes available a wealth of scientific and technological data that is probably not supported by any other nation."

Then, too, under an exchange agreement, a couple of dozen Soviet and U.S. scientists annually swap laboratory visits. Thus, the analysis concludes, Soviet science and military strength are enriched because America adheres to the traditional ways of conducting and communicating research.

What this middle-minded assessment omits is that a flow of ideas and data is indispensable to topflight science. The lack of that flow in the security-obsessed U.S.S.R.

accounts for the backwardness of so much of its research enterprise.

Meanwhile, the State Department — another desert of scientific understanding — is worried about Japan as well as the Soviet Union. So it has been telling research-oriented universities that their employment of foreign students may be subject to export regulations. This feat of legalistic acrobatics brought an angry protest last spring from a group of university presidents, who argued that if the aim is to lead the world in crucial fields of research, the surest way to fall would be to clamp down on the circulation of ideas and people.

In its latest intrusion on academe, the State Department has been demanding that the University of Minnesota restrict the access of a Chinese exchange student who is studying computer science.

Oblivious of the workings of graduate education in the sciences, a State Department official has explained: "If the student is just learning, that's fine, great. But if he is actually aiding in the physical development of a program that is a sellable and marketable item, that comes under regulations ... They can learn as long as they don't create a reaction to these echoes from the dark ages are beginning to mount as scientists recognize that the newly arrived guardians of America's scientific treasures are latter-day kin of the old book-burners. That should be widely understood before their ignorance does serious damage to a scientific enterprise that is the envy of the world."

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West German Rents Askew

By Hans-Ulrich Spree

BONN — Clashes between politicians and squatters in several cities have given the impression that West Germany has a housing shortage. In fact, it is housing laws that have created problems.

Legislation has stifled a free real estate market with the result that some groups in society cannot find adequate housing at a time when more space than ever is available. It is, in short, a case of scarcity in the midst of plenty.

Housing conditions are better in West Germany than in any other country of Western Europe. There are thousands of inexpensive apartments, most built since World War II when the country was largely flattened. But they are occupied by the wrong tenants.

Young people, big families and handicapped persons are among those who cannot easily find better housing, while many West Germans live in comfort at low rents and can spend surplus income on second cars or vacations. The disparity is due in part to the rapid development a decade or more ago of low-cost government housing projects.

The tenants' incomes have risen substantially but rents continue to be restrained under law. These tenants are being subsidized at the expense of other taxpayers, many of whom cannot get the housing they need. Meanwhile, building costs have risen so sharply that new construction has fallen.

Because of rent controls, there is little mobility in the real estate market, and vacancies are rare. Tenants are reluctant to move.

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Letters

Cultural Exchange Pays

It was with shock that we learned of the huge cuts proposed for the International Communication Agency and especially the Fulbright program. My husband is a Fulbright-Hays visiting professor at the University of Indonesia teaching American studies, and I am a volunteer at the American Studies Library at that university and a volunteer lecturer at the Indonesia-American Bilingual Center.

The bilingual center, supported and run by Indonesians, is crammed to the rafters with 8,000 students. It is of the utmost importance to preserve Indonesian-U.S. friendship and mutual help through the International Communication Agency and similar agencies throughout the world.

ELIZABETH SCHIFFMAN, Jakarta.

A Museum Director Replies

In response to "A Provincial Museum Says No to Paris," (HT, Oct. 24-25): I personally refute the erroneous statements in this article, which quotes words I never said, distorts my intentions and invents a situation that does not exist.

The question of saving the Montpellier Museum collection from Parisian voracity never came up. The Musée d'Orsay is not the ogre, and we are not Tom

Thumbs. There was a common agreement to return certain state property to the Musée d'Orsay, where it would be better integrated into an art period.

This was done by means of an exchange, in which we were at liberty to select equivalent works of art for our own collections. The exchange took place in a harmonious, friendly climate between our Parisian colleagues and ourselves. There was none of the beligerence or tension suggested in the article.

We never aimed to deprive the Montpellier museum of anything to the profit of the Musée d'Orsay.

The real problems are elsewhere: the enlargement of museums, the enormous work that will refashion the Musée d'Orsay, the mutation that is now taking place everywhere in France, which brings the 20th century into the provincial museums. That is our task: We do not waste our energy on totally imaginary skirmishes between the provinces and Paris.

I do not think that the writer wanted to deliberately falsify our problems, but how could any journalist grasp within an hour all the nuances of a complex situation, particularly given the journalistic need to oversimplify and to supply spice to flavor the sauce? Director XAVIER DEJEAN.

Fabr. Museum, Montpellier, France.

Editor's note: Mr. Dejean's letter has been edited from the French.

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Politics From the Pulpit in Ulster

Rev. Paisley's 'Unholy Trio': Thatcher, IRA and Dublin

By William Tuohy
Los Angeles Times Service

BELFAST — Every Sunday evening the red brick Martyrs Memorial Free Presbyterian Church in East Belfast — with a British flag flying outside — fills to overflowing.

Three thousand parishioners have come to hear the Rev. Ian Paisley preach fundamentalist fire and brimstone. A Paisley sermon is something apart, mixing God-fearing Protestantism with sharp political attacks. For Mr. Paisley, 55-year-old member of the British Parliament for North Antrim, is the fiery political leader of the Protestant militants in Northern Ireland.

In this troubled British province, many in the Protestant majority turn to men like Mr. Paisley when they see a threat to their way of life. The Protestants, who outnumber Roman Catholics 2-to-1 here, range from moderates to militants with guns. But they have one thing in common: They do not want to become part of the Roman Catholic Republic of Ireland to the south. And some among them would even break the ties with Britain to escape that fate.

Mr. Paisley appeals to the hardest of the hard line. Dressed in a black frock coat and a white clerical collar, he leads the congregation in a hymn, then launches into his sermon.

'The Betrayal of Ulster'

"God will take care of the Irish Republican Army and rise up in judgment against the murder gangs," he then shifts into politics: "Oh God, deal with Margaret Thatcher and Jim Prior," the British prime minister and her minister for Northern Ireland, who, in Mr. Paisley's view, has ordered "the betrayal of Ulster."

Then the reverend booms out: "We have an unholy trio — the Thatcherite government, the Dublin government and the IRA. They all have the same goal to bring us into an all-Ireland republic.

"That will never be. Over our dead bodies, only."

For the Protestants of Ulster, it has not been a good year. They have seen IRA hunger striker Bobby Sands elected to the British Parliament as he lay dying in a British prison outside this provincial capital. And they have seen one of their own members of Parliament, the Rev. Robert Bradford, assassinated by IRA gunmen.

Equal in Popularity

More ominous to the Protestant militants have been the talks between Mrs. Thatcher and Irish Premier Garret FitzGerald, which seem to have taken the problems of Ulster out of a purely British context.

While Mr. Paisley does not

speaking for all the Protestants, he has by dint of energy and demagoguery become the most powerful spokesman for them. His Democratic Unionist Party, which broke away from the Official Unionist Party in 1970, has increased its share of the vote in every election since then, now equalling the parent party in popularity polls.

It was Mr. Paisley's call for a "day of action" that sent thousands of unionists into the streets of Ulster recently, an event that appeared to strengthen his claim to speak for the Protestant masses.

The terms "unionist" and "loyalist" are often used interchangeably, and traditionally refer to Protestants who support continued ties to Britain. But some Protestants now talk of breaking away from "perfidious" England, setting up an independent Protestant state in Ulster.

Not since the British colonized Northern Ireland in the 17th century — about the same time they settled in America — have the Protestants been so uneasy about their relations with the mother country.

Catholic Complaints

In 1922, the British government divided the island of Ireland into the Irish Free State (later to become the independent Republic of Ireland) and six counties of Ulster, which as Northern Ireland joined Britain to make up the United Kingdom.

A Northern Ireland Parliament was set up at Stormont, just east of Belfast, with a prime minister and Cabinet, and for 50 years it ran Ulster as the Protestants saw fit. During all those decades the Catholic population — now numbering about half a million to the Protestants' million — claimed it was discriminated against, not only in a gerrymandered Parliament, but in jobs and housing. But their complaints brought little change.

When Prime Minister Terence O'Neill, a Protestant, tried to carry out reforms on behalf of the Catholics in the mid-1960s, he was turned out of office. Finally, in 1968, the Catholic civil rights movement became more active, leading to incidents that brought on the current "troubles," which at times have amounted to guerrilla warfare in the province.

Mr. Paisley's new Democratic Unionist Party developed strong bonds with the Protestant working class and with small farmers, clearly breaking with the Official Unionist Party, which was still perceived as the party of the upper classes.

And while some upper-class Ulstermen as well as those in Britain viewed the hulking Mr. Paisley as a buffoon, he was actually a shrewd and skilled politician. A brilliant speaker, Mr. Paisley also did his homework in Parliament,

became a master publicist for his cause, and looked after his constituents — including some Catholics.

In 1973, the British tried to construct a power-sharing arrangement between Protestants and Catholics in Northern Ireland which, partly due to Mr. Paisley's stiff opposition, broke down, and the province returned to direct rule by the Parliament in London.

The deep-seated Protestant complaint about a power-sharing formula with Catholics was the minority's desire to seek unity with the Irish Republic. The Democratic Unionists are unwilling to share power with any of the Catholic parties, and Mr. Paisley has increasingly talked about the possibility of Ulster going it alone.

The unionist parties have no official ties with the Protestant paramilitary organizations here, though they may have unofficial ones. The leading paramilitary group is the Ulster Defense Association, which ostensibly concerns itself with welfare work. Its strength is variously estimated as between 5,000 and 11,000.

UDA leaders Andy Tyrone and John McMichael deny that their organization, which is legal, has any relation to outlawed Protestant paramilitary groups: the Ulster Volunteer Force, the Ulster Freedom Fighters and the Red Hand Commandos.

Part-Time Soldiers

Of the official government security forces, the Ulster Defense Regiment, with 7,500 members, is not political. It is a unit of the British Army and has British officers. Most of its soldiers serve part time.

Similarly, the 7,500-man police force of the province, the Royal Ulster Constabulary, is officially nonpolitical, but its members are almost exclusively Protestants.

Even the most liberal Protestants view the government of the Republic of Ireland as a captive of the most reactionary branch of the Roman Catholic Church.

Further, there are deep cultural and economic differences between the two sections of Ireland: The Protestants of the north think of themselves as hard-working and prosperous "Brits," while they see Catholics in both the north and south as somewhat shiftless "Irish."

Of whatever political stripe, the Protestants of Ulster have deeply ingrained fears of being absorbed by the Catholic south in a unified government that would leave them a minority of 1 million to 3.75 million Catholics.

Mr. Paisley would appear to be a likely target for assassination, but so far no serious attempt has been made against him. Why?

As Gerry Fit, a Catholic member of Parliament for West Belfast, put it recently: "Paisley and the IRA need each other."



Rev. Ian Paisley

Coroner's Report Says Miss Wood Died in Accident

New York Times Service

LOS ANGELES — Natalie Wood drowned in what the Los Angeles County medical examiner has called a "tragic accident while slightly intoxicated."

The coroner's office said Monday that the 43-year-old actress drowned shortly after midnight Sunday after falling while trying to get from her yacht into a rubber dinghy. According to the medical examiner, Dr. Thomas T. Noguchi, the actress slipped and fell into the water.

The autopsy revealed that she had bruised her left cheek in the fall, possibly being rendered temporarily unconscious. Miss Wood's blood alcohol level was .14 percent, the result of having consumed seven or eight glasses of wine during the evening. A person is considered under the influence of alcohol at .10 percent.

Dr. Noguchi speculated that Miss Wood's "slight level of intoxication" had been a contributing factor to her death. "When she hit the water," he said, "this was probably one of the factors that kept her from responding to the situation."

Why Miss Wood, who was dressed in nightgown, socks and a red parka, should have tried to leave the yacht in the middle of the night remains a mystery Monday. Dr. Noguchi said that there had been "heated discussions" between Miss Wood's husband, Robert Wagner, and Christopher Walken, their weekend guest, and Miss Wood's co-star in "Brainstorm," the movie she had been filming.

9 Drown off Danish Coast

The Associated Press

HIRTSHALS, Denmark — Three fishermen and six persons who tried to save them drowned early Tuesday in stormy seas off this North Sea port, the Danish coast guard said.

Unesco Changes Tack in Media Controversy

By Jonathan Friendly
New York Times Service

NEW YORK — After more than five years of talking about measures to let governments control reporting and reporters, Unesco says it is shifting its activities toward concrete projects that will improve communications equipment and technical training for journalists in underdeveloped countries.

But continuing suspicions about the long-range motives of the member countries jeopardizes the new International Program for Development of Communications before it has bought its first transmitter or arranged its first training program for a would-be Third World reporter, according to government officials and journalists.

These analysts say that, if the program fails, poster nations will not get the improved communications structures they say they need to inform their own citizens and to make their voices heard outside their boundaries. They also warn that failure could provoke an angry retaliation that would further restrict Western press coverage of emerging nations and limit the access of Western companies to the commercial information they want.

The program "is important for free trade and for the free flow of information," said William G. Harley, a State Department consultant to the United Nations Educational, Scientific and Cultural Organization. If it stalls, he said, that will simply "add to the perception of the Third World that we don't really care."

A Tactical Retreat

The current Unesco emphasis on specific projects reflects at least a tactical retreat from earlier demands pursued under the rubric of "a new world information and communications order."

A decade ago the developing nations, with the encouragement of the Soviet bloc, began talking about the role of the communications media, emphasizing their belief that most of the news about their societies was being gathered by a Western press interested only in natural disasters and political turmoil.

The outcome of the debate was the formal adoption in 1978 of the goal of the "new order." But Western nations and the Western press contended that was a disguise for letting governments, usually authoritarian ones, decide what was news and how it should be covered and distributed.

Western analysts say those objections, forcefully expressed at a meeting in Tallahassee, Fla., last May and underlined by recent U.S. threats to cut off its 25-percent financing of Unesco, deterred officials of the Paris-based organization from immediate pursuit of the ideological issue.

The development program was

already waiting in the wings as an alternative to capitalize on the widespread agreement that communications technologies ought to be more evenly available. The developing countries see it as a way to get the industrialized nations to underwrite, for example, access to satellite channels or low-cost newsprint or improved telephone and telegraph services.

In recent interviews, however, Mr. Harley and other Western officials said they feared that the program would not be used to strengthen independent news organizations they say are desirable. They are not convinced that the idea of government regulation of the flow of news has been abandoned and they fear that developing countries may simply use development projects to strengthen government information systems, particularly in countries that say they cannot afford the Western model of privately owned, competing news organizations.

Unesco officials say that the organization — as distinct from its individual members — has never endorsed specific restrictive measures such as censorship or government-set definitions of "accuracy," and that, in any case, it now hopes to move away from that debate. But for many, the ideological and the practical are inextricably mingled.

Amadou Mahtar M'bow of Senegal, Unesco's director-general, told delegates to a 1980 conference that helped launch the development program that "it is in fact impossible to separate technical matters from problems of content, to separate the media from the messages which they transmit, for they represent two aspects of the same concrete reality."

New Kind of Exploitation

Complementing the Western fears are continuing doubts among the developing countries that the West actually wants to help them develop an ability to compete in gathering and distributing news. Mr. Harley noted that a number of Third World representatives have told him they think "gifts" of technical expertise are simply an expedient wedge for a new kind of economic exploitation that will mortgage their communications systems to the exporting needs of industrialized nations.

These fears are particularly acute for the United States. It first suggested a technological approach five years ago, but the State Department now says it will not put any money directly into development programs and wants to analyze specific projects before it will support them with direct aid to the countries involved — a position that leaves it vulnerable to charges of bad faith.

It is not clear how much money Unesco thinks it will need. The administrative costs of the development program are coming from a special \$1.75-million Unesco fund, but estimates of the larger programs range from the tens to the hundreds of millions of dollars.

The problems are expected to come to a head in mid-January, when the program's governing council meets in Acapulco, Mexico, to select a program director, agree on criteria for judging proposals and go over a list of at least 15 suggested projects, with price tags ranging from \$250,000 to \$1.5-million.

that religious and racial intolerance was at its highest peak in the preceding three decades. He blamed the inactivity of organized religion and the "Jim Crow" churches for such a plight.

Frederic Wertham, born in Munich, studied medicine in Germany and England and, in the process, became deeply interested in psychiatry and decided on his life's work after corresponding with Freud. In 1922 he was invited to come to the United States and to join the Phipps Psychiatric Clinic at Johns Hopkins Hospital in Baltimore, which he did. He became a citizen in 1927.

Artemis Garoufalidou

NEW YORK (AP) — Artemis Garoufalidou, 77, a sister of the late Greek shipping magnate Aristotele Onassis and an aunt of Mr. Onassis' daughter, Christina, died on Sunday.

Val Gielgud

LONDON (AP) — Val Gielgud, 81, former head of radio drama for the British Broadcasting Corp. and brother of actor Sir John Gielgud, died on Monday.

Samuel Welles

CHARLOTTE, N.C. (UPI) — Samuel Welles, 68, former Time magazine correspondent and author, died of a heart attack on Monday in Charlotte, where he retired four years ago.

Dr. Frederic Wertham, Psychiatrist, Dies

By Bayard Webster
New York Times Service

NEW YORK — Dr. Frederic Wertham, 86, an internationally known psychiatrist who believed that comic books, movies and television shows that featured crime, violence and horror exerted a damaging influence on many juveniles and young adults, died last Wednesday at his retirement home in Kensington, Pa.

Dr. Wertham, credited about 30 years ago with causing the comic book industry to soften its emphasis on horror and crime, often publicly inveighed against practices he believed were harmful to the human psyche.

In 1964, commenting on television violence, he said: "Whether crime and violence programs arouse lust for violence, reinforce it when it is present, show a way to carry it out, teach the best method to get away with it, or merely blunt the child's and adult's awareness of its wrongness, television has become a school for violence."

Observing in 1938 that criminal court trials often took no heed of the obvious need for psychiatric examination and treatment of offenders, he also cited the lack of modern medical and identification at such facilities as Bellevue Hospital and Rockland State Hospital. These and other similar criticisms eventually led to modernization of facilities and methodology at many mental and criminal holding institutions.

Ten years later, he lifted his sights to religion. On the final broadcast of America's Town Meeting on radio station WJZ in New York City, Dr. Wertham said

Obituaries

Denmark Gives Asylum To Chinese Interpreter

United Press International

COPENHAGEN — A Chinese interpreter traveling with the Peking Opera has been granted political asylum in Denmark, a Foreign Ministry spokesman said on Tuesday.

The interpreter arrived with the troupe on Oct. 30 and requested asylum two days later, the spokesman said. Danish police have not disclosed his name. The opera group completed its scheduled tour and left Denmark on Nov. 15.

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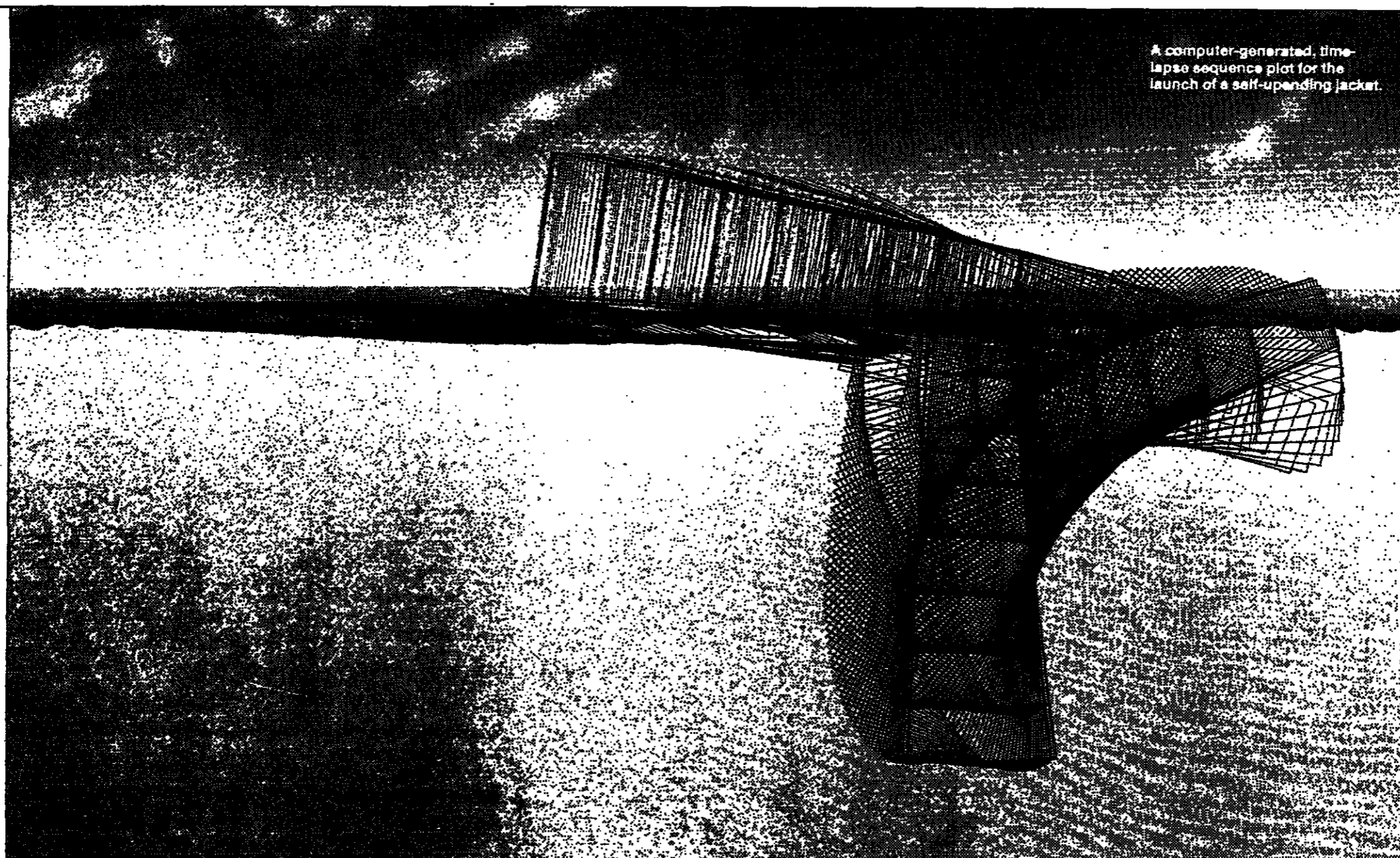
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Military Regime on a Honeymoon

By Sari Gilbert

ANKARA — Almost 15 months after the armed forces took power, Turkey's military regime still has widespread popularity.

Although several recent developments have led to mounting concern in political circles about the shape of Turkey's democratic future, the restoration of law and order has created a reservoir of good will toward the generals that contrasts sharply with growing criticism from Turkey's European allies.

"The honeymoon is still on," said an Istanbul newspaper editor who like many other well-informed Turks expects the return to democracy to take another two or three years.

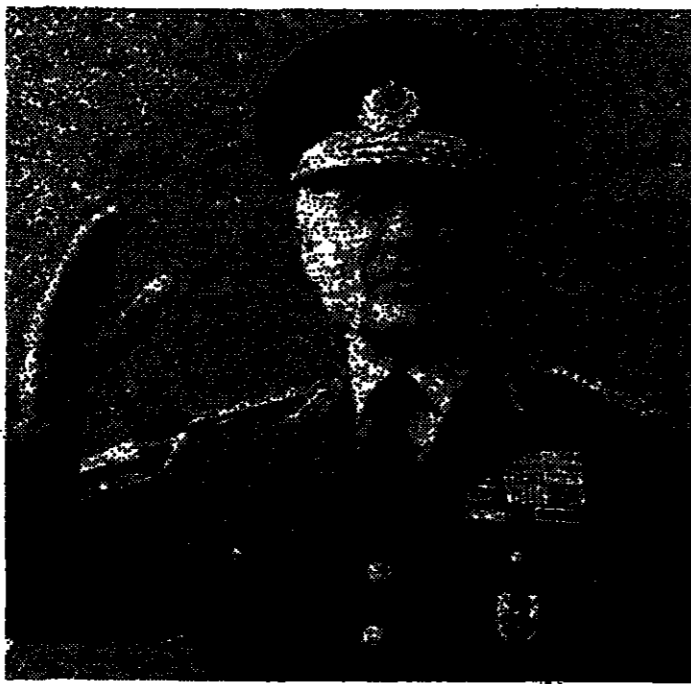
Although this October they kept their promise to inaugurate the Consultative Assembly that will work with them on giving the country a new institutional framework, the country's military rulers have refused to set a firm timetable for a return to civilian rule. But because the army went back to the barracks after taking power twice before, in 1960 and in 1971, its promise to restore a democratic parliamentary system is given widespread credence in Turkey.

Visible Improvement

Since the takeover on Sept. 12, 1980, there has been some visible improvement in the country's chaotic economic situation, the government headed by Gen. Kenan Evren having succeeded in ending most shortages of fuel and food and in bringing inflation down toward the 40-percent mark from a high of more than 100 percent.

But in a series of recent interviews with Turkish men and women from different professions and age groups, the end of anarchy and of uncontrolled terrorism was repeatedly mentioned as the primary reason for the continuing store of good feeling toward the military.

Restoring the authority of the state and putting a lid on political



Gen. Kenan Evren, head of state

violence — politics-related deaths have fallen from an average of 22 a day before the coup to less than one a day — have involved a high political and social price.

Observers estimate that at least a few thousand of the more than 43,000 arrested or detained since September, 1980, are political militants without terrorist responsibilities. For example, about 200 members of DİSK, the leftist union, are in prison or on trial and the government has asked for death sentences for about 50 of them.

Report on Torture

A report by Amnesty International last spring said that torture in prison was widespread and systematic. And last month a government spokesman conceded that some of the interrogation methods used in Turkey "might be considered torture in other countries of the West" but defended them, say-

ing that to defeat terrorism it was necessary to find a way "to get these killers to talk."

Marital law regulations still give security forces the right to hold suspects for up to 45 days without charges — and once charged they can be held indefinitely. A nighttime curfew is still in operation throughout most of the country, union activity has been sharply curtailed and freedom of the press has been limited.

More recently, and even harder to justify in terms of security considerations, the country's political parties have been banned and their leaders muzzled.

The military government defends itself on these counts by saying that before the coup Turkey had been experiencing "a fatal political and economic sickness." A ranking military officer said recently, "Sometimes to get out a

cancer surgeons are forced to cut normal tissue as well."

But as much as these aspects are deplored, even critical Turks are quick to point out that so far the restrictions on civil rights have affected only a minority, leaving most people to enjoy the return to normalcy.

"We are so grateful for what the generals did," said Nusrî Ayiter, an Ankara university law professor who says the unchecked violence of the pre-coup period had made life unbearable.

'A Nightmare'

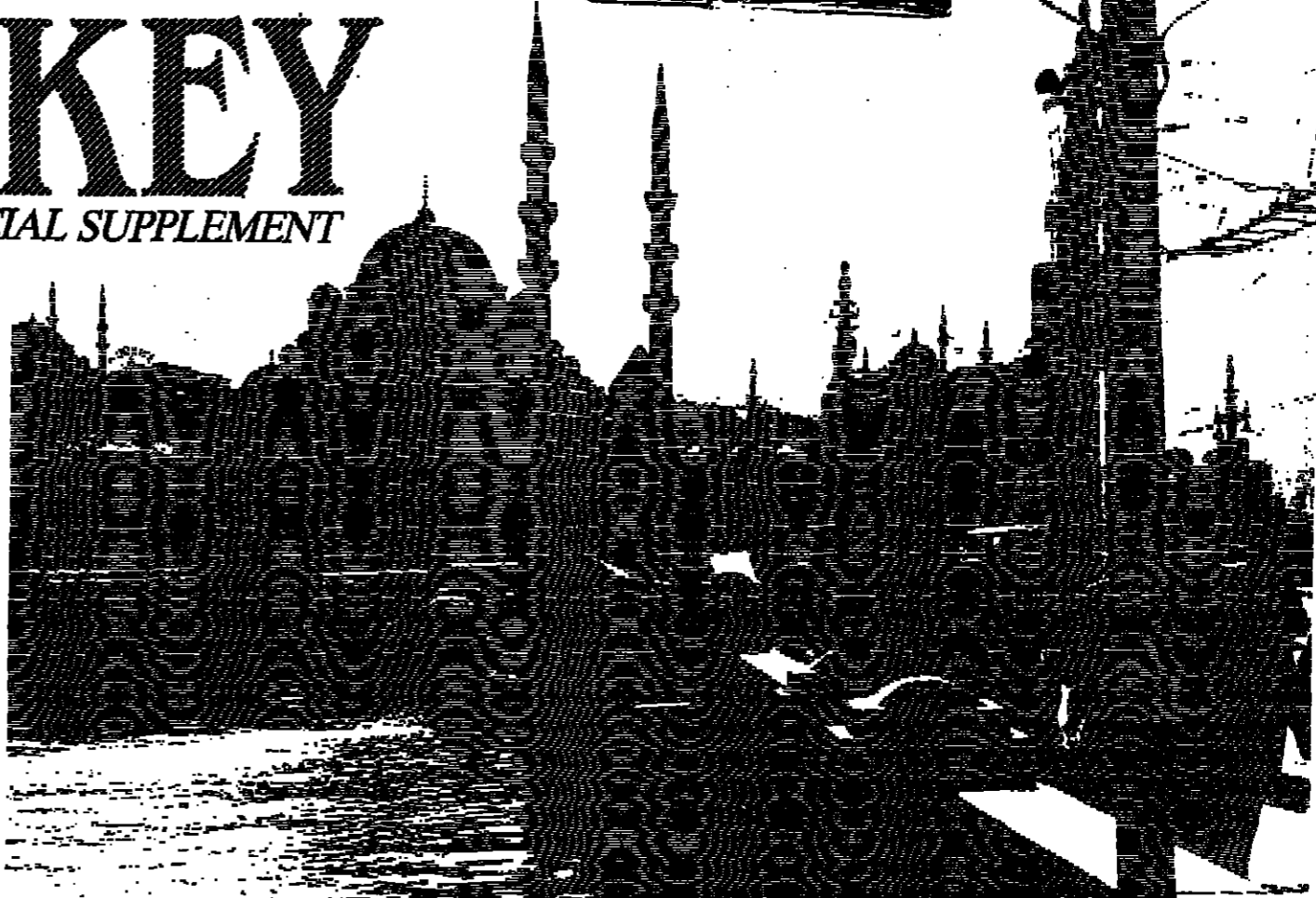
"Nobody could go out at night; certain areas of the city were off limits," said Ankara hotel owner Hasan Gulian, adding, "It was a nightmare, as if you were always being followed by an attacker with a knife."

"As an individual, I feel freer now, not less free," said Istanbul businessman Muzaffer Sengul, who added that the pre-coup terrorism situation had made democracy "a social luxury." He remembers the period before the military takeover as "horrible days" in which he could not drive a new car without being attacked as a "class symbol" and he felt afraid of talking freely to strangers. Failure to give "donations" to leftist teenagers meant bomb attacks on his downtown clothing store, he said. "I had to live with the feeling that any day I might be picked as a terrorist's target," he added.

For the most part, Turkish commentators, politicians and intellectuals concede that the good will toward the *pasifik* is extensive and that the fatherly Gen. Evren himself — whose trips and frequent speeches around the country make him seem like a political campaigner — is popular enough so that if elections were held today he could easily be elected president.

But they question how long this situation can last. "The longer they stay in power the more difficult things are likely to get," said a critic of the regime who believes that

(Continued on Page 115)



Sweeping Plan Aids Fragile Economy

By Axel Krause

ANKARA — Despite progress made since Turkey's swift and bloodless military coup, the nation's economy remains fragile — strained by underdevelopment, growing joblessness and unanimous complaining by business leaders here and in Istanbul over high interest rates.

But the regime's tough-minded military leaders and their civilian advisers are implementing a sweeping economic plan started by the previous government of Suleyman Demirel. Its aim is to stimulate growth through tight fiscal policy, expanded exports and new foreign investments.

Most highly placed Western experts working with Turkey are convinced that the plan is beginning to work successfully.

"Some spots are brighter than others and a return to democracy is off in the future, but the economic story is impressive ... Their progress so far has been remarkable," said a senior West European official who is helping organize a \$1-billion economic aid package for Turkey next year.

'Miraculous' Progress

In a recent interview in Ankara, Premier Bulent Uhus said — with deliberate exaggeration — that the regime was making "miraculous" progress because of widespread



Premier Bulent Uhus



Turgut Ozal

popular support for the measures being implemented in what he described as an "atmosphere of economic and social security."

Ankara and Istanbul are indeed calm cities. Armed, helmeted soldiers guard banks and public buildings. A nationwide curfew from 2 a.m. to 5 a.m. is still in effect. Strikes are banned. Turkish business, political, university and union leaders, fearful of reprisals, avoid criticizing the regime publicly. The shops and downtown

areas of Turkey's two main cities are doing brisk business, while Turkish students interviewed report that they are relieved to be back at the books.

"It's not that I like generals, but since the September coup and when the street violence stopped, things are calmer ... We can get on with our studies," said a 17-year-old student preparing for a career in the hotel business in Ankara.

national product growth would rise from last year's stagnant levels to 4.4 percent during 1981, while inflation already had been brought down from a rate of 100 percent a year ago to 40 percent currently.

Impressive Numbers

In the bustling, upbeat atmosphere of government offices throughout Ankara, Turkish planners tick off equally impressive numbers — they predict, for example, that the current-account deficit in Turkey's balance of payments will fall to \$2.1 billion this year from \$3.4 billion during 1980, and to \$1.6 billion next year.

"Turkish exports, nearly half of which now go to the Middle East, are booming," said Tunc Bilget, the 40-year-old director-general of the treasury, who previously represented Turkey at the World Bank in Washington. Mr. Bilget, a U.S.-trained economist and a key adviser to the regime, added that the government would continue pursuing tight fiscal and monetary policies.

Meanwhile, export-oriented companies in Turkey will continue getting favorable treatment in the form of government subsidies and interest rates well below those currently prevailing — at levels close to 70 percent, he said.

Most Turkish businessmen

(Continued on Page 105)

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2) Turkey's largest source of foreign currency at present is:

- a Exports of agricultural products? b Workers' remittances from abroad? c Tourism?

3) If you ask for "Şiş Levrek" in an Istanbul restaurant, you will get:

- a The local evening paper? b Grilled sea bass? c A glass of water?

4) With 15 million cattle and 60 million sheep, Turkey has:

- a Europe's third-largest animal population? b Europe's largest animal population? c Europe's sixth-largest animal population?

5) This year, Turkey's GNP is expected to:

- a Rise 8%? b Rise 3.6%? c Fall 2.8%?

6) In Eastern Turkey, you may get a chance to see "Cirit Oyunu". Is it:

- a A lake ten miles from the city of Erzurum? b The easternmost town in Turkey? c A javelin-throwing game played on horseback?

Sweeping Plan Is Aiding a Fragile Economy

(Continued from Page 95)
 benefiting from the program are delighted. "I am optimistic about the ruling generals... We are investing and forming joint ventures," said Asaf Güneri, chairman of the Zihni group of companies, which owns and charters a small fleet of cargo and ore ships, mainly for hauling iron and coal from the United States and Brazil to Turkey's steel industry.

Mr. Güneri, 34, whose family owns the Istanbul-based company, said that he recently ordered three 65,000-ton bulk carriers in Romania for delivery starting in 1983. But he added that the regime still had a long way to go in furthering expansion, notably in relaxing exchange controls, which he says are hindering growth.

Businessmen Skeptical
 Many Turkish businessmen are skeptical, however. "We favor the regime, of course, but we still are waiting for action on lowering interest rates, which are far too high... All we get are promises," said a senior executive in the Ankara-based Chamber of Commerce. "Not all Turkish companies, particularly the domestic-oriented ones, are benefiting," he added with some annoyance. Other business sources in Ankara cite the recent case of a medium-size machine tool manufacturer who was unable to afford the credit terms being proposed by the bankers for planned expansion and, as a result, fired most of his workers.

Quoting Ibrahim Bodur, chairman of the Istanbul chamber, the Daily News, an English-language daily, recently warned that high interest rates "could drown Turkish industry."

Complicating the task of planners is growing unemployment, which Western government experts conservatively estimate at 20 percent of a 17-million civilian labor force.

According to a Western assessment, the military rulers only recently came to the conclusion that leftist and rightist terrorist groups that paralyzed the nation prior to the coup were drawn from a large and growing pool of "idle" youth estimated at 2.5 million. "The cur-

rent economic stabilization program has no doubt added to unemployment," the report stated.
 Indeed, there is a consensus in influential Turkish government and Western diplomatic circles that the major flaw in the regime's current economic policies is the absence of flexibility and a long-run strategy that goes beyond assuring stability.

"I am guardedly optimistic about the near term, but the generals in charge are not reformers, and the headaches they face here are enormous," said a senior Western ambassador from a NATO country, adding that "it probably

So far this year the total of new investments from abroad has risen to \$280 million and may reach \$400 million...

is too early for longer-run planning.
 "What we are doing is crisis management... firefighting on a whole series of fronts, including the economic and social," said a senior spokesman for the National Security Council, the ruling regime's executive body. The official, himself an admiral, said: "We are like navigators trying to steer the correct course without hitting icebergs or other obstacles, but we are not 100-percent satisfied with progress being made."

Turkey is counting heavily on continued economic aid from Western industrialized countries during the next few years. But, echoing widely expressed grumbling among senior Turkish officials, Premier Ulusu said in the interview that economic aid from some key industrialized nations had been less than expected. The amounts pledged for 1981 by members of the Organization for Economic Cooperation and Development totaled less than \$1 bil-

lion, against \$1.1 billion in 1980, which he said was not "fully satisfactory."

Mr. Ulusu also noted that Turkey's debts to OECD governments were being rescheduled under the auspices of the International Monetary Fund, but he said that the government would like to see OECD member governments open their export guarantee facilities, while urging international banks "to start extending normal credit facilities."

The premier conceded that the regime was having difficulties attracting foreign investors. "We have been unable to convey the present realities of our country to foreign investors... We would like very much for potential investors to familiarize themselves with the ample opportunities existing in our country," he said.

New Investments
 Actually, Turkey has not been doing all that badly compared to the recent past. Last year, a modest \$97 million in new investments came in — clearly a reflection of internal strife prior to the coup. But, so far this year, the total had risen to nearly \$280 million and it may reach \$400 million by the end of the year, according to Husnu Dogan, head of the foreign investment department, which is directly attached to the premier's office.

Launched by Deputy Premier Turgut Ozal, the key architect of the regime's economic policy who previously was Mr. Demirel's economic adviser, the new investment program has already attracted several newcomers, including American Express and Citibank. But so far the bulk of the investments has involved expansion by many of the 150 established companies, based primarily in West Germany, the United States, Switzerland and Britain.

Mr. Dogan, who recently returned from a trip to the United States, said that he was exploring new investment projects with both Western industrial companies and a U.S. consulting firm, with a view to attracting companies in several key areas: mining, tourism, oil and agribusiness.

Tourism is getting particular attention from the planners. Facilities are still highly undeveloped compared to Spain and Portugal, for example, even the small island of Rhodes has more available bed space for tourists than all of Turkey. The nation's last international-class hotel was built in Istanbul in 1976. The government plans to boost spending sharply next year on highways, telecommunications and transportation facilities, and recently authorized charter passenger planes to land at Turkey's six main airports, including the one in Istanbul.

"We are already talking with charter airlines in Scandinavia and France as well as hotel and tourist groups in Belgium, Germany and France," said a senior official in the Ministry of Tourism, adding that "the attraction is Turkey itself and, above all, security and stability, which we did not have before the coup."

Receipts Up
 Ministry officials said that tourist receipts last year totaled \$326 million and would rise to more than \$450 million this year. "People are already staying longer and spending more," an official said. That impression is reflected by the brisk and increasing traffic in Western and Middle Eastern businessmen and bankers passing through Ankara and Istanbul — most of them seeking contacts and business. "After a six-month lull earlier this year, things are picking up steadily," said Hasan Gulian, who runs a comfortable, second-class hotel in Ankara.

Will the new headway being made on the economic front prove lasting? Few leaders, diplomats or observers have a definitive answer, but Ali Kizilali, publisher and editor of Yanki, Turkey's leading weekly news magazine, summed it up as well as anyone: "The key factor to the economy will depend on the political atmosphere and the future of the ruling generals."

Expressing optimism for the military regime, he added that, despite the progress being made by the generals, "they will fail completely if they cannot solve the economic problems."

GNP by Producing Sectors				
(at current prices, in millions of Turkish liras)				
Sectors	1978	1980	1981	1980
1. Agriculture	477,327.3	21.3	926,664.8	20.5
a) Farming	455,236.1	20.5	891,132.8	19.8
b) Forestry	17,800.8	0.5	31,908.4	0.5
c) Fisheries	5,290.4	0.2	11,623.6	0.2
2. Industry	597,238.6	23.6	1,122,469.7	25.0
a) Mining	23,331.4	1.0	64,947.4	1.4
b) Manufacturing	470,437.7	21.1	971,039.2	21.6
c) Electricity, Gas & Heat	33,469.5	1.5	86,482.9	1.9
3. Construction	106,139.2	4.8	217,691.5	4.8
4. Trade	310,525.4	14.0	647,679.5	14.9
5. Communications & Transport	228,849.5	10.3	467,809.3	10.4
6. Financial Institutions	56,867.1	2.3	118,294.2	2.4
7. Ownership of Buildings	92,863.8	4.2	205,206.9	4.6
8. Private Professions & Services	113,812.0	5.1	236,159.9	5.3
9. Banking Services	28,284.2	1.3	59,326.5	1.3
10. Industries Total	1,081,126.7	4.3	2,177,679.4	20.7
11. Public Services	239,725.5	10.4	577,626.9	8.4
12. Total (10-11)	2,716,388.2	14.8	5,776,873.3	20.2
13. Imports Taxes	69,557.2	2.9	136,202.0	2.1
14. GNP (at market prices)	2,181,995.4	10.0	4,327,078.3	20.1
15. Factor Income from Abroad	13,626.1	2.0	107,189.3	2.4
16. GNP (at market prices)	2,225,571.5	100.0	4,434,267.6	100.0

Per Capita GNP, 1962-1979				
Population Mid-Year 000	At Current Prices TL	At 1968 Prices TL	Real Increase %	
1962	28,933	1,991	2,639	-
1963	29,655	2,151	2,839	7.6
1964	30,394	2,346	2,883	1.5
1965	31,151	2,483	2,901	0.6
1966	31,934	2,663	3,168	9.2
1967	32,750	3,092	3,427	8.1
1968	33,585	3,350	3,350	4.0
1969	34,442	3,626	3,443	2.8
1970	35,321	4,184	3,591	3.1
1971	36,215	5,318	3,765	7.5
1972	37,132	6,485	3,999	4.8
1973	38,072	8,138	4,110	2.8
1974	39,036	10,941	4,304	4.7
1975	40,025	13,386	4,532	5.3
1976	40,938	16,366	4,771	5.3
1977	41,871	20,783	4,949	3.6
1978	42,825	30,092	4,982	0.7
1979	43,801	50,812	4,757	-2.6
1980	44,799	100,321	6,618	-2.9

TURKEY

Key Economic Indicators

All values in millions of U.S. dollars unless otherwise indicated. Average exchange rates: U.S.\$ 1.00 = TL 24.28 (1978); = TL 31.08 (1979); = TL 79.40 (1980).

	1979	1980	1981	% Change 6/30/81 79-80
Income and Production				
GNP at current prices	70,456*	56,599	n.a.	
GNP at constant (1968) prices	23,149	22,986	n.a.	-0.7
Agriculture (% GNP)	23.5	23.9	n.a.	0.4
Industry (% GNP)	29.7	28.8	n.a.	-0.9
Services (% GNP)	46.8	47.3	n.a.	0.5
Per Capita GNP Current Prices (\$ U.S.)	1,592*	1,265	n.a.	
Money and Prices (End of Year for 1979-80)				
Money Supply, M1 (TL Billion)	439.9	688.5	757.6	49.7
Central Bank (Short-Term) Discount Rate, %	10.75	26.00	31.5	15.25
Price Indices (1963=100)				
Wholesale	1,578	3,071	3,512	95
Istanbul Consumer	1,908	3,340	3,793	75
Ankara Consumer	1,500	2,799	3,111	87
Balance of Payments and Trade				
Official Gold and Foreign Exchange Reserves	633	1,271	775	100.8
Annual Public Debt	14,605	13,005	n.a.	-10.9
Annual Debt Service	1,031	2,200	n.a.	113.4
Debt Service as % of Exports	46	76	n.a.	67.0
Trade Deficit	2,808	4,757	2,477	69.4
Current Account Deficit	1,239	3,047	1,450	150.2
Basic Balance	-921	-1,192	-972	-29.0
Export, FOB	2,261	2,910	1,957	28.7
U.S. Share	4.6	9.1	4.4	4.5
Imports, CIF	5,069	7,667	4,434	31.3
U.S. Share	7.5	6.4	5.5	-1.1

Major U.S. exports to Turkey in 1980 (in millions of dollars): US exports — organic and inorganic chemicals (43.4), coke and coal (43), fertilizers (82), aircraft and road vehicle parts (22), iron and steel scrap (31), textile yarn (14.5), and specialized industrial machinery (16).
 NOTES: * Exchange rate changes dollar denominated absolute and percentage changes from TL 24.28 to U.S. \$1.00 = TL 9.00, = net of devaluation.
 Sources: Ministry of Finance, State Institute of Statistics, Central Bank, State Planning Office, and Ministry of Trade.

A Dispersed Greek Community Is Declining

ISTANBUL — Each Sunday a small group of elderly people gathers in the cavernous Church of St. George, hung with gilt chandeliers and lined with blackened icons and caskets containing the

remains of Byzantine saints. They listen to the sonorous chant of the Orthodox rite with a demeanor of faded vitality that seems to characterize the dwindling Greek community of Istanbul.

St. George's is part of the Orthodox patriarchate, the spiritual center for the world's 200 million Orthodox Christians, which occupies a few drafty buildings behind high walls in a seedy waterfront district of the city that the Greeks still call Constantinople. For the 4,800 Greeks left in Istanbul and on the islands of Imbros and Bozcaada (or Tenedos) outside the Dardanelles are the last heirs of Byzantium.

The world's first Christian empire was toppled in 1453 when the 23-year-old Sultan Mehmet II captured Constantinople after a brief siege — but under the Ottomans, Greeks could rise to high positions. In modern, secular Turkey, they feel themselves a beleaguered enclave, although they have Turkish citizenship. Every year, their numbers diminish by several hundred, and their future looks bleak.

"The old die, the middle-aged sell up and go to Athens, and the young move away when they finish school," said Vassilis Baloudas, a patriarchate employee.

Greek Schools
 There are 18 Greek primary schools in Istanbul with a total of 420 pupils. Another 400 students attend six high schools. The Turkish Education Ministry keeps a watchful eye on Greek education, appointing Turkish deputy headmasters and requiring some lessons to be held in Turkish.

Older residents say that the sense of community among the Greek minority is fast disappearing. Once the Greeks congregated in a few neighborhoods of Istanbul; now they live scattered through the city. The Greek community hospital is ill-equipped and caters mainly to Turkish patients. Only Turkey plays in the two amateur football teams founded by the Greek community, and the daily Greek newspaper has become a broadsheet circulated three times a week.

Moderately Prosperous
 Yet the community is still moderately prosperous and predominantly middle class, according to a Greek businessman. "There is little overt pressure now from the Turks, but the taxes on our community institutions have still not been removed, as they promised several years ago," he said. "The psychological pressures remain. We are more timid than other Greeks."

In the 1950s and 1960s, strife between Greeks and Turks on Cyprus made life difficult for the Greek minority in Turkey. An exodus followed as Greek citizens in Istanbul and Izmir in 1955. Nine years later, 12,000 Greeks were expelled from Turkey and banking, import and taxation restrictions were enacted against those who stayed as part of legislation affecting all minorities.

Population Exchange
 Such incidents brought to the surface a hostility many Greeks consider endemic in relations between the two nations. The last time open warfare broke out was in 1972 with the ill-fated Greek invasion of Asia Minor. Afterward, with the treaty of Lausanne, came an exchange of populations when 1.1 million Greeks left Turkey and 390,000 Moslems moved in from Greece. A Moslem minority stayed on in Greek Thrace, balanced by more than 100,000 Greeks who remained in Istanbul, making up 14 percent of the city's population at that time.

While the Lausanne treaty also guaranteed the continued existence of the Orthodox patriarchate in Istanbul and its 80 churches around the city, the church has been harassed by Turkish authorities. "Our problems are in cold storage now, you might say, but we

are always optimistic that Greek-Turkish relations will improve," a cleric said.

Candidates for the priesthood have been trained in Greece since the seminary for Orthodox priests on Heybeli Island in the Sea of Marmara was closed in 1971. The following year, the Turkish government exercised its traditional veto to prevent the election of a senior bishop to the patriarch's throne. Instead, a junior metropolitan in his early 50s, Dimitrios of Imbros and Tenedos, was chosen.

Dialogue With Vatican
 The patriarchate, however, has an international role, acting as coordinator for the various Eastern Orthodox churches and taking more direct responsibility for the wealthy Greek Orthodox establishment of the diaspora in Europe, Australia and the United States. It is also conducting a dialogue with the Roman Catholic Church for the first time in five centuries to

end the schism between Constantinople and Rome.

Some members of the Istanbul Greek community complain that the ecumenical patriarchate is more concerned with its position as "first among equals" in guiding the affairs of the Orthodox faithful abroad than with looking after its declining flock at home.

In Athens, nostalgia still runs high for the old days in Constantinople and Smyrna (Izmir) where Greeks were rich, respected merchants and shipowners enjoying a sophisticated lifestyle in the final years of the Ottoman Empire. "When I was young, Constantinople was the most beautiful city in the world, and the Greeks had a real share of it," said Maria Iordanidou, 82, who recently wrote a best-selling autobiographical novel about her childhood before World War I. "But I should never want to go back again and I feel sad about those who have stayed here."

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Times Are Turbulent For Banking Sector

ANKARA — These are turbulent days for the Turkish banking sector. The era when deposit and lending rates were fixed by the government, leaving banks a fat profit margin, seems to have ended for good.

In July of last year, the government freed deposit interest rates. Its purpose was to attract consumer funds away from the marketplace to savings by making interest competitive with inflation.

In order to avoid cutthroat competition, the banks reached a gentleman's agreement and set uniform limits. Interest rates on a year's time deposit thus grew quickly from 20 percent to 33 percent, then to 40 percent and eventually 50 percent. Total deposits increased from 490 billion liras at the end of 1979 to 814 billion in 1980 and 1,114 trillion in the first eight months of 1981. At the same time, the cost of borrowing first doubled to 65 percent a year, then jumped to the 70- to 75-percent range.

The increase in the interest rates, combined with the government's tight money policy, led to an unprecedented drop in consumer demand. This forced companies to cut back investments and inventories and to borrow only to maintain operations.

But the recession has now become so bad that a growing number of companies are finding that they are unable to repay their bank loans. The banks seem to be caught between escalating deposit and lending rates on the one hand and customers that are unable to pay on the other. A large liquidity problem seems to be looming.

The problem is aggravated by two factors. First, all banks, state or privately owned, seem to be disregarding the gentleman's agreement. In other words, although interest rates are in theory fixed, the interest that is actually paid is determined by the bank manager and his customer. Some banks are paying up to 65 percent a year.

The first to break the gentleman's agreement were small and medium-size banks that saw in the free deposit interest policy an instrument for growth. Backed by major advertising campaigns, they started offering higher interest rates and attracting funds from the bigger banks.

The second factor is the money merchants, who multiplied in the big cities after the interest rates were freed and started offering even higher interest. Some currently offer between 120 percent and 160 percent a year. The money merchants have several advantages that make them more competitive than banks. They do not have to deposit cash reserves with the Central Bank or keep cash balances in their vaults. (These are, respectively, 35 percent and 15 percent of deposits for banks.) Also, interest earned from money deposited with them is exempt from the 25-percent capital gains tax. Free from such burdens, the money merchants have a minimum 20-percent interest margin edge on the banks.

Money deposited with the banks is estimated to be between 100 billion and 150 billion liras.

Central Bank Moves

The Central Bank has recently taken steps to force all banks to pay the interest rates reached under the gentleman's agreement and to discipline the merchants. But in both cases the moves might have come too late.

The escalation in interest and lending rates seems to have gone too far to stop. Money is so tight, and consumer demand so low that many companies are willing to pay almost any price to borrow and survive. But the fact is that as the cost of borrowing increases, the chances of loan repayment decrease. This, at least, is what is happening in Turkey. A growing number of bankers are complaining that more and more they are being obliged to roll over debts instead of collecting.

The government has recently added to the chaos by announcing that banks must raise their capital to a minimum of 4 billion liras and



Bank poster announces offer of 42 percent interest on six-month deposits, 50 percent on one-year variety.

increase it further for each branch, depending on the number of branches they have.

To the Western banker, these figures may seem reasonable. But Turkish banks have a tradition of working with low capital and a large number of branches. As a consequence, the largest eight private banks, which have more than 3,000 branches, will have to increase their capital from 10 billion liras to 145 billion.

Government's Aim

None of the private banks is likely to be able to meet the new capital requirements, which have to be pledged within six months, because the sums involved are enormous by Turkish standards. The aim of the government seems to be to break the hold of private families over banks, bring about mergers between the smaller banks and cut the number of branches.

Almost all large private banks are owned by industrial families that use them more like family heirlooms than like public institutions.

The decree also introduces new regulations for foreign banks in Turkey like Citibank and American Express, which opened branches in Istanbul recently. According to the rules, foreign banks can open a maximum of five branches. The minimum capital of the first branch is to be \$6 million, and each of the rest \$3 million.

"Like many sectors in Turkey these days, banking is going through a revolution. In the old days, the banks were making so much money that they did not even bother to make cost analysis. It did not really matter, as one banker put it, because profits concealed the mistakes. Interest rates were low, enabling both the banks and the borrowers to profit at the expense of the depositor, who was in effect subsidizing both banking and industry.

Now, for the first time, money in Turkey has found its true value as determined by market forces.

Agriculture Remains Strong Point of Nation

ANKARA — Ever since the first farmers began cultivating cereals on the Anatolian uplands, agriculture has been Turkey's strong point. A breadbasket from Neolithic times, it is one of less than a dozen countries in the world that maintain self-sufficiency in food production.

Wheat, grown on more than one-third of the farmland, is still the mainstay of agricultural production. Yields have increased by more than 50 percent during the last seven years, stimulating sales abroad. Turkey is now one of the top 10 wheat-exporting countries.

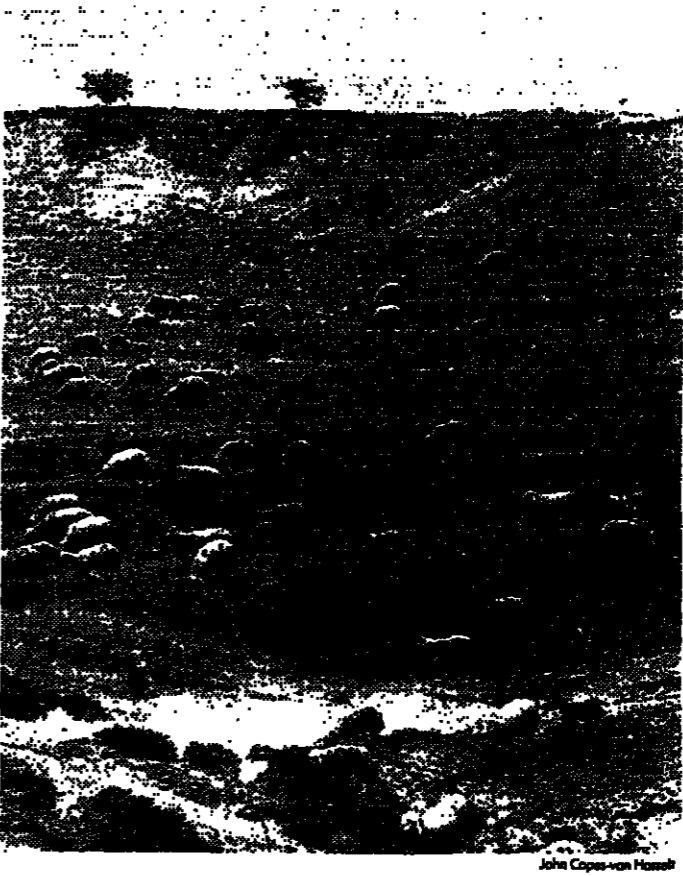
The diversity of surplus crops is illustrated by the fact that Turkey is also a major cotton exporter and the world's leading supplier of hazelnuts, figs and raisins. In addition, tobacco, olives, fresh fruit and vegetables, and small amounts of livestock — including live sheep shipped to Libya — feature on the export list this year.

After a long period when government policy consistently favored industrial development, the potential of agriculture's contribution to the economy is again being recognized. Last year, for example, agricultural exports totaled \$1.7 billion, or 58 percent of total export earnings, and should reach \$2 billion this year. In 1982, growth in the agriculture sector is predicted at 3.2 percent.

Dual Purpose

A new emphasis on agriculture will have a dual purpose, according to a government adviser. On the one hand, Turkey is anxious to continue boosting exports to the lucrative Middle East markets, where fresh and processed foods and other agri-based products are proving successful. It is also making headway with fresh fruit and vegetable exports to the European Economic Community.

On the other hand, agricultural productivity will have to improve sharply if Turkey is to remain able to feed a population expected to jump from the present total of more than 45 million to 70 million by the end of the century. About 25 million Turks now earn their



Sheep have been added to the list of Turkey's exports.

living from the land, but this figure is not considered likely to rise.

"Rather than try to extend cultivation into marginal lands, we must intensify efforts to increase yields on our existing 28 million hectares of farmland," an Ankara university expert said.

Farmer Protests

Mechanization is already well-established, with more than 400,000 tractors in use as well as locally assembled harvest machinery — although the ratio of tractors to acreage remains low. But improvements in seed quality and the use of pesticides and fertilizers are badly needed.

The sector's problems are not confined to production. Two months ago, despite a good wheat harvest totaling more than 14 million metric tons, the government was forced to purchase 500,000 tons of U.S. wheat to help meet export commitments without giving in to pressure from producers. Farmers protesting what they considered low support prices for wheat withheld stocks from government purchases or sold to speculators. Last year, the official state export agency received inadequate financing for wheat exports.

Much of the current growth in agricultural activity is focused around Izmir in the west and Adana in the south. Development in the southeast will depend heavily on implementation of large-scale electrification and irrigation projects.

on the Euphrates River and progress in long-promised land reforms.

During the next 20 years, the present total of about 3 million hectares of irrigated land should be doubled, with most of the gains in the southeast. Land reform remains a delicate issue but the military rulers are expected to go ahead with a projected new law.

More than 800 villages in the south and east are still owned by local potentates, the *agas*, in a feudal system that has changed little since Ottoman times. But under the new law, about 500,000 landless families would receive holdings on terms that would prevent fragmentation by future heirs.

Field Crop Mix

Also on the agenda is a substantial change in Turkey's field crop mix toward increased percentages of feedstuffs and industrial crops, probably at the expense of grains. This year, for the first time, 50,000 hectares in the rich Cukurova plain in the south were planted with soybeans, using seed imported from the United States. To encourage planting, the support price was announced in advance and special planting equipment was loaned to farmers.

With more irrigation, increased emphasis will also be placed on fruit and vegetable growing and high-yield meat production, again with a view to exports.

Anyone who inspects the cornucopia of a Turkish fruit stall in late fall, festooned with strings of red onions and piled high with melons, bananas, apples, pears and tangerines, is immediately struck by the quality and variety on display. But exports have been hurt by unsatisfactory packaging, marketing and distribution. The government has started to help out with tax rebate measures and reduced red tape for exporters.

Although food-processing industries contributed only 12 percent to agri-based exports last year, there is considerable interest in this field among the big Turkish industrial groups. Such plants are also seen as a potential area for foreign investment and joint ventures.



Soldier guarding a government building in Istanbul in April, 1980, before the military takeover.

Military Regime on a Honeymoon

(Continued from Page 98)

recent economic, legal and educational reforms could cost the generals the support of significant sectors of the population.

"People have short memories and sooner or later they will forget the horrors of the past and begin feeling the restrictions of the present," said Mumtaz Soysal, a political scientist and commentator for the independent daily Milliyet.

"It's dangerous for them to stay on too long," said a member of the Consultative Assembly. He pointed out that since 1839 the armed forces have played a special role in Turkish politics. "If they lose credibility, it will prejudice their role in the future," he added.

Moves by Generals

In fact, a series of recent moves by the generals has raised concern about the outlook for the country's political future. In mid-October, one week before the Consultative Assembly was convened, the military rulers dissolved all political parties and confiscated their assets. A few days later, they charged former Premier Bulent Ecevit with defying a government ban on public criticism by former politicians, and he was subsequently sentenced to four months in prison, a term he is expected to begin serving in the near future.

In a nationally televised speech, Gen. Evren defended the ban on parties by saying that it was necessary to protect the Consultative Assembly from "outside influences" and by reiterating his accusations that their leaders were responsible for helping to create the conditions that made the military intervention unavoidable.

"It looks like the logic of military repression is rearing its ugly head," said a politician from the Republican Party.

"Parties are moral entities and if you dissolve them you are penalizing a lot of ordinary people who had identified with them," said Hyeirtin Erkmen, a former foreign minister for the rival Justice Party.

But the five-man National Security Council has also recently passed laws regarding the judicial system and the country's universities that suggest the Turkey of tomorrow will be a more centralized and less free place.

Convinced that a prolonged stay by the armed forces could, by blocking normal promotions, create divisions within the military

that could be highly dangerous, Tercuman editorialist Nazli Ilıcak said she was sure that the generals would eventually leave power. "But recently," she said, "they have been straying from the main road." She and others believe that recent developments indicate that the system the generals have in mind for Turkey is "a heavily guided democracy."

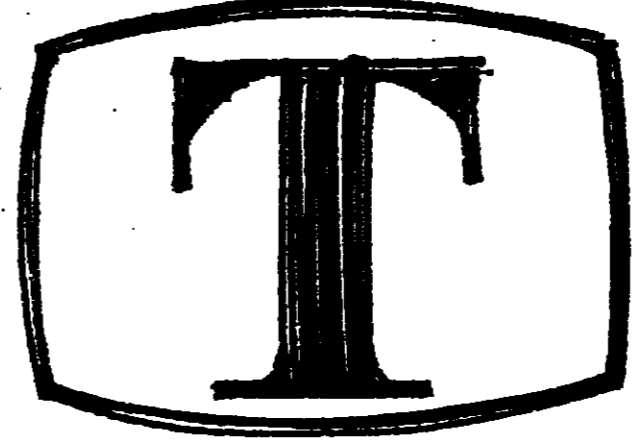
The general feeling is that elections will not be held until 1983... The Turks are divided over the pressures for an immediate return to democratic rule that have been coming from Western Europe in recent months.

Ertugul Zekai Okte, one of the 160 people who were selected, not elected, from a roster of more than 11,000 names as members of the Consultative Assembly, recently said that the body was "not a rubber stamp parliament."

Orhan Aldikacti, a well-known Istanbul constitutional law professor who was recently appointed head of the assembly's 15-member Constitutional Commission, also believes that there is room for independent judgement. But he admitted that the National Security Council, which has the final word, has made it clear that it would like to see a presidential-type system with a strong executive, and a constitution that gives the president strong emergency powers and also makes the parliament easier to dissolve.

Observers in Turkey expect Gen. Evren to find a way to stay in power. And the constitution, which Mr. Aldikacti thinks will take seven or eight months to write before being submitted to a national referendum, may also in-

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Emancipated — at Least by Law

ISTANBUL — "Although outsiders may not realize it, Turkish women have been greatly emancipated," said Feliz Kovaci, 29, deputy director of a central branch office of an Istanbul bank. Her professional success, like that of Turkey's many other career women, is a tribute to the principles of sexual equality that nearly five decades ago were embodied in Turkish law.

Economic problems, tradition and social taboos, however, have kept other Turkish women from developing the full potential of their advantageous legal status. Aysel Karatas, 21, from the provincial town of Nevsehir in central Anatolia, was taken out of school at 15. She lives at home, closely supervised by her parents, and will help her seamstress mother until a suitable marriage is arranged.

When Mustafa Kemal Atatürk founded the Turkish Republic in 1923, he made women's rights a major goal. He strongly discouraged the use of the veil and quickly adopted a modern family law that ended polygamy, made sisters equal to brothers in inheritance matters, and left wives not quite equal, but almost, to husbands in marriage.

The laws of the new republic — full equality in education and job opportunities and, within 10 years, full voting rights — brought changes that were tantamount to revolution in a country where for centuries women had been socially segregated and treated as inferior.

Today, therefore, it is not surprising to learn that almost half of Turkey's doctors and one-third of its university students are women, while more and more women are also becoming university professors, lawyers, journalists, engineers, judges and teachers.

Social Taboos
But in the more backward regions of Turkey, life has changed relatively little for the majority of women. In startling contrast to the smartly dressed young women of cities like Ankara, Istanbul and Izmir, many rural women still wear the *shalvar*, or baggy trousers that hide the female shape. Many still wear the veil. In a recent visit to

Urfa, in the country's underdeveloped southeast, head of state Gen. Kenan Evren spoke to parents about sending girls beyond elementary school. "A girl's face should not be covered, but should be open because she has to smell, to eat, to see," he said.

In these areas, women often do heavy work in the fields, but social taboos keep them out of the coffee house and confined to a narrow social position. For the most part, marriages are arranged with *baslik* (pronounced *bashlik*), or a bride price — of money or livestock — still required from prospective husbands.

The fact is that today Turkish women can be divided into different groups, at varying stages of development. "The village woman is totally unaware of her rights," said Ankara journalist Sevinc Karasapan. Women in small provincial towns are only slightly better off, she said, although occasionally bright, strong-willed girls can struggle through to higher education and perhaps a real job. The truly emancipated are the city women, particularly those from middle-class homes.

Different Lifestyles
City women are likely to attend a university and — although finding a husband and running a household still appears to be a major concern of most — to hold down a job or join a profession.

But even this woman is unlikely to have the same lifestyle as women in other parts of the West. "The sight of a woman smoking on the street is still a shocking one," said Feliz Kovaci, who scoffs at the way Turkish men exclude women from much of their daily social life.

Virginity is still highly regarded, and even if a young woman could afford to live alone — unlikely in Turkey's troubled economic situation — a young woman might be deterred from doing so by social pressures. "This is still a Moslem and patriarchal society," said a woman who teaches English literature at an Ankara university.

Sophisticated Turkish city women are annoyed by the beauty-conscious feminine stereotypes pro-

jected by the male-dominated media. "If you read the women's pages of most Turkish newspapers," said Sevinc Karasapan, "you come away with the image of a well-moisturized beauty-mask addict frantically removing stains from furniture and clothing while waiting for the lord and master to come home to a freshly baked cake."

Equal Rights

These women also chafe at remaining legal inequalities, like a clause of the Turkish penal code that makes adultery a criminal offense when women commit it once, while men are punishable only when they have committed it several times.

But there really is not much to complain about. In a couple of years, when a government-appointed commission completes the revision of the current civil code, women will have even more equality. When the job is done, outdated provisions labeling the husband as head of household, requiring working women to have their husband's permission, denying married women the right to use their maiden names, and setting the husband's address as the woman's legal domicile will finally be erased.

Only Women on Unit

"Of course, if we really believe in equality, then laws giving special protection to women will also have to be repealed," said Musin Ayitir, a lawyer who is the only woman on the 11-member commission. In fact, today women can retire earlier than men and, if they are unmarried, can — unlike their unmarried brothers — claim a deceased father's pension for life.

There are no feminist groups in Turkey, partly because long ago Atatürk gave privileged women what women elsewhere have had to bitterly fight for. "But, in a sense," said a political scientist, "a woman's movement would be a real luxury since most Turkish women are more concerned with immediate things like making ends meet for daily survival."

—SARI GILBERT



The pleasure pond of the sultans has been turned into an environmental disaster area.

Golden Horn Now an Eyesore

ISTANBUL — Poets dubbed it the Golden Horn, and for centuries it was the pleasure pond of the sultans, a sparkling scenic waterway where canopied imperial caiques with gilded prows and silk-upholstered love seats sailed gently between richly wooded shores.

Today, however, the four-and-a-half-mile sliver of water that divides Istanbul is quickly becoming an environmental cancer. No doubt the story of the Turkish photographer who accidentally dropped his film in the water and retrieved it fully developed owes much to hyperbole, but after 40 years of unchecked residential and industrial development along its shores, the waterway on the west shore of the Bosphorus strait has become both an eyesore and an open sewage and disposal area that poses a potential health threat to the nearby fish and vegetable markets.

The organic wastes of close to 1 million people pour into the inlet, along with toxic industrial materials from the small tanneries, dye factories, metalworking and food-

processing plants that crowd the Golden Horn's banks. There is even a government-owned slaughterhouse from which discarded animal parts are reported to sometimes find their way into the water.

Mud has been forming on the channel bed, reportedly at the rate of 10 centimeters a year. Wide mud flats are now visible and several boat landings along the Golden Horn's shores have had to be closed.

Cleanup Cost

According to Mehmet Karpuzcu of the environmental sciences department of Istanbul's Technical University, cleaning up the Golden Horn would now cost at least 15 billion Turkish liras.

City ordinances against polluting factories were issued as long ago as 1971, but until recently almost no action was taken, leaving unmatched the environmentalist reputation of Sultan Mehmet the Conqueror who in 1454 banned the construction on the banks of the Golden Horn and ordered a vast program of reforestation.

This October, however, a government-backed city commission met to draw up an emergency program that calls for an immediate halt to all sewage and waste disposal into the waterway, the immediate removal of all heavily polluting factories, removal of the mud clogging the channel, which is said at some points to be as deep as 60 meters, and a ban on further home construction in the area as well as immediate reforestation.

Also planned is a dredging of the channel to speed up circulation of the inlet's stagnant waters. The mouth of the channel at the end of the Marmara Sea end of the Bosphorus is only 900 meters wide.

Removing Industries

In recent months the city has moved ahead with 1974 plans to remove the industries crowding the Golden Horn's banks, and as a start low-interest loans were provided to get the area's 17 shipbuilding concerns to move to Tuzla, 50 kilometers away.

"Our equipment can be moved easily so moving's not that big a deal for us," said Valit Torlak, a partner in the Tor-Gem shipbuilding firm, which is getting ready for the shift. "But why did they start with us?" According to Mr. Torlak, even the state-owned vehicle repair shops on the opposite shore do much more polluting than shipbuilders who hoard every inch of scrap metal.

Experts believe that the greater efficiency and coordination brought by the current military regime may open a spiral of hope for the Golden Horn, but given Turkey's major economic problems their optimism is still guarded. "Years of neglect have created so much damage," an environmental engineer said, "that it is doubtful that a 100-percent cleanup job can now ever be done."

—SARI GILBERT

TURKEY

Ancient Sites Are Probed On Banks of the Euphrates

ANKARA — A flood of biblical proportions is due to submerge part of the region renowned as the cradle of civilization. Warned of this, archaeologists are stolidly digging at 17 ancient sites along the banks of the Euphrates River in Turkey's largest-ever international excavation project.

The waters of the giant Ataturk dam will engulf 6,800 square kilometers of southeast Anatolia in the 1990s, drowning what Ekmele Derya, the project's director, calls "virgin territories for art historians and archaeologists, crucial to the history of the Near East."

Assyrian traders, Hittite migrants, Alexander the Great's army, Roman imperialists, Crusader knights and Tamerlane the Great have all left their mark there. The Euphrates itself, winding between rugged cliffs or rich wheat fields and vineyards, served as a highway, carrying people, artifacts and ideas.

Despite its historical importance, the Euphrates area had never attracted much attention from archaeologists. But after the Ataturk dam project was announced, Mr. Derya and colleagues at the Middle East Technical University (METU) organized a survey of 220 sites from 1975 to 1977 and invited foreign scholars to pitch for the excavation they preferred.

"We now have two American, two West German, one British, one French, one Dutch and 10 Turkish excavations going," said Sevinc Buluc, assistant coordinator of the project.

Other experts are studying the region's natural history, ethnology and folklore, for distinctive village cultures will also be lost when local inhabitants are moved from their traditional homes.

The project has gone ahead with few hitches, according to Dr. Buluc, mostly because of experience gained 10 years ago when the Keban dam was built on the Euphrates. "Twenty sites were dug then, while a Byzantine bridge and several ancient buildings were dismantled and re-erected outside the flood zone.

The ancient settlements on the riverside are mainly tells, or flat-topped hillocks composed of debris accumulated during thousands of years of human occupation. Cut open, they are an archaeological layer cake, with different levels illustrating the lives of inhabitants from prehistoric through medieval times.

On the mound at Grütelle, a team from Bryn Mawr, led by Richard Ellis is working through a layer of Byzantine occupation to

get down to the early Bronze Age levels below. At Kurban, a site that seems to have connections with Mesopotamia proper, excavations from the Oriental Institute of the University of Chicago headed by Lee Marlowe are already unearthing third millennium B.C. finds.

Roman Tiles

The British group at Tille under David French of the British Institute at Ankara has come up with large numbers of stamped Roman tiles and identified a bathhouse beside the tell. The finds suggest the site was once a fort on the Roman frontier defense system manned by soldiers from the 16th Legion, which was headquartered along the river at Samast.

Excavations at Samast itself, one of the largest tells in the eastern Mediterranean, are directed by Nimet Ozguc, doyenne of Turkish archaeology. "In the few years at our disposal we will do no more than sample the site," she said, "but from just two full seasons we have a great variety of finds: superb Islamic pottery, some unique Seljuk houses, an elaborate Roman gateway and what should be a Crusader stone floor with a cross carved within a rosette."

Strategically sited to control an ancient route into Mesopotamia, Samast was a capital city for many civilizations. As Kummakh, it was the center of a late Hittite city state. Later it became the winter capital of the eocentric 2d century B.C. King Antiochus I, and in the 11th century belonged briefly to a French Crusader, Baldwin, count of Urfa. It was occupied by Seljuks before Tamerlane the Great and his Mongol hordes swept through in the late 1300s.

The Turkish government has spent almost \$300,000 this year on the rescue project, a figure that will probably be exceeded by the foreign teams whose private funding must cover the cost of bringing equipment and diggers from abroad. Most sites have to be dug during high summer when temperatures soar past 40 degrees Celsius but scholars are free from academic duties.

"The heat, the dust and the flies are no cliché," an excavator said. But there is also the green Euphrates below most sites, swift-moving and icy cold even in summer. And despite Spartan living conditions in the Kurdish villages, the archaeologists say that they feel privileged to observe layers of culture that go back more than 6,000 years.

—KERIN HOPE

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Population Growth Poses Threat

ISTANBUL — Every morning on the Galata bridge linking old Istanbul to the new city, there is a jumble of cars, taxis, minibuses, buses and trucks inching their way along, bumper to bumper, in a cacophony of beeping horns and revving motors.

But the human traffic that jams the adjacent sidewalks and the bridge's cafe-dotted lower level is equally impressive. During the day, throngs move through the city, crumpling the pavements and crowding the group taxis known as *dolmuş*, or the buses. In the evenings they trudge home to ugly high-rises, overcrowded 19th-century buildings or hastily-built, one-story *gecekondu*s, for the most part unlicensed constructions on what were once the city's outskirts.

Overcrowded, chaotic, its heritage of parks and greenland rapidly being swallowed up by spreading concrete, Istanbul — once the pearl of the Ottoman Empire — is slowly drowning in a sea of humanity.

One problem is the lack of planning. But during the last 50 years, the city's population has risen

number of young people pouring into the labor market represents a potential time bomb for a country that has shown itself to be prone to terrorism and political violence.

And yet awareness of the problem and a sense of urgency about the need to resolve it are only very recent. Both before and after World War II, Turkish governments reasoned that bigger meant better, and used tax incentives and the like to encourage large families. Even today, one can find conservatives who see population as a sign of strength, and dream of a Turkey 80-million strong.

Although a ban on contraceptives was lifted in the 1960s, it is only recently that a sweeping birth control education program has come under active consideration.

"For a long time, we failed to realize that, because of its social, economic and political implications, a steadily increasing population represents a weakness rather than a strength," said Cahit Tanyol, director of the sociology institute at Istanbul University.

He pointed out that Turkey's social infrastructures were designed

tion to an unprecedented 44 percent.

According to some Turks, this reversal of residential trends has led to a weakening of traditional values like family ties, respect for the elderly, nationalism, honesty, personal pride and dignity.

The outskirts of both Ankara and Istanbul are filled with *gecekondu*s, box-like, one-story cement houses generally with outdoor plumbing and often without electricity, paved roads, running water or sewage systems. Although exact figures are unavailable, close to 50 percent of the population in both Ankara and Istanbul are believed to live in houses that at least started out as *gecekondu*s (literally, built overnight), unlicensed squatter constructions as often as not on government land.

Although persistence and politics have generally combined to "legitimize" the *gecekondu* by extending municipal services to them, their unrestricted spread has played havoc with hopes for orderly urban — and perhaps political? — development.

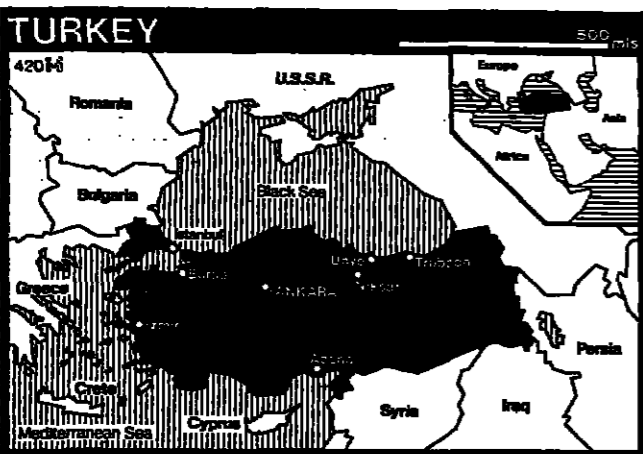
Today, for every resident of Istanbul, there are only 2 square meters of parkland, against 16 in London, 18 in Paris and 30 in Washington. There are few play grounds and almost no day-care centers, and until recently — the influx from rural areas has declined since the military coup and economic pressures have brought city birthrates down — many schools were running on double or triple sessions.

One problem is that, spurred on by government incentives, during the last decades close to half of the country's industry has located in Istanbul and the government is now hoping to ease future congestion by seeking to stimulate the development of newer cities throughout Anatolia, the Asian part of Turkey.

A new city master plan was recently completed and there are plans to direct future city settlement to suburban areas 25 to 50 kilometers to the east and west. A new law setting user fees for municipal services that is scheduled to go into effect next year is expected to bring in an additional 13 million Turkish liras annually, more than twice the current city budget. The national government is also planning on 100 billion liras in new allocations for the cities, and Istanbul is scheduled to get half of this.

The strains of overcrowding naturally conflict with city planners' attempts to adapt Istanbul's historical character to the present without destroying it. According to conservationist Celik Gulersey, it is a losing battle. He believes that the years of neglect of monuments and buildings, the rape of the countryside by unlicensed builders and the gradual destruction of the Bosphorus' once-wooded shores have already changed the city face. "At this rate," he said, "in 20 years almost nothing of the old Istanbul will be left."

—SARI GILBERT



from 700,000 to an estimated 5 million. The causes, to be sought in recent Turkish history, are unchecked population growth in the country at large, and — spurred on by some development and by the revolution in rising expectations — a consequent flood of migrants from the countryside.

Although it has now declined to about 2.3 percent a year, the growth rate of the Turkish population is still by far the highest in Europe. Indeed, the population — now close to 46 million — has been growing so fast that according to some figures people over 65 represent only slightly more than 4 percent of the population, while young people — those under 20 — account for well over 50 percent.

The ongoing population explosion clearly represents a danger for the country's future. It could compromise its otherwise healthy prospects as an agricultural exporter. It places the country's inadequate social infrastructures under constant pressure. And — with a genuine industrial takeoff still eluding economic planners — the growing

for a population less than half the current size, and said: "It's like pouring an extra quart of water into a half-a-liter jar."

The potentially disruptive impact of the climbing population can best be seen in cities like Istanbul and Ankara, where natural reproduction combined with a rural-urban influx have led to annual population growth rates of close to 7 percent.

Although recently the yearly influx of tens of thousands into Istanbul has somewhat slackened, there is no denying that, during the last 30 years, the lure of the city has proved irresistible for hundreds of thousands of villagers left jobless by the combination of mechanized agriculture and the country's highest birthrates. This was for a time encouraged by governments eager, for political reasons, to dilute the Greek minorities in cities like Istanbul and Izmir, and the trend has gradually reduced the rural population from 75 percent of the total in 1952 to 55 percent today; and has raised the percentage of urban popula-

How to Get Super Clean

ISTANBUL — The sign by the doorway in a dilapidated street near the Blue Mosque says in English: "Have you ever been to a real Turkish bath? If you haven't, you can't really be clean."

To a northern imagination, the idea of a Turkish bath in Istanbul might conjure up billowing clouds of steam and plump odalisques in 19th-century engravings rather than the kind of cleanliness associated with old-fashioned soap and moral rectitude.

The Cagaloglu Hamami is a combination of both. The buildings, which has an interior touch of baroque, is more than 300 years old, according to Faris Cagdas, its present owner. It may even have been built by a sultan for his court although the sultans themselves lolled in a private bath at Topkapi Palace nearby.

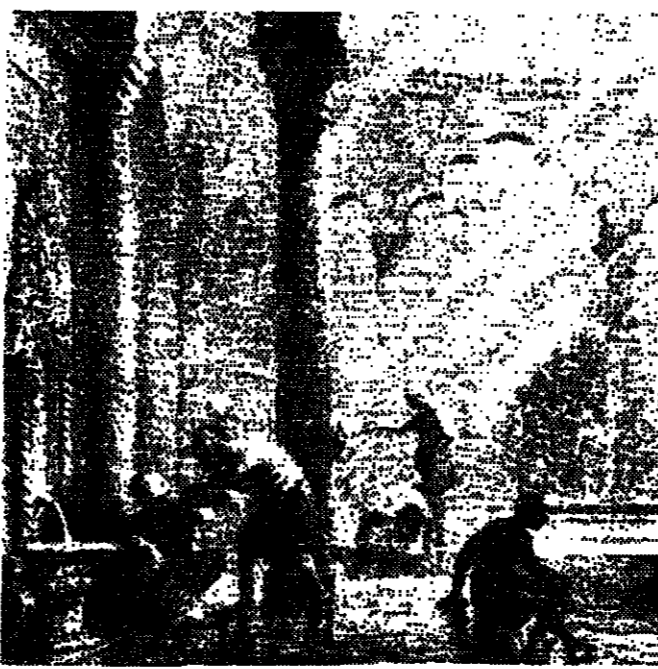
Mr. Cagdas believes his bath is the oldest of about 120 such establishments in Istanbul, where going to the bath used to be a weekly necessity in the days before apartments came equipped with bathrooms and hot water.

Occasional Luxury

These days, according to Ahmet Demirkapan, president of the Istanbul bath owners' association, business is less brisk, and going to a traditional bath is more of an occasional luxury. "But," he added, "a few people become addicted to the special skin-sloughing process and come every day."

But the pillared marble halls and wooden cubicles carved in curlicues at the Cagaloglu bath are "certainly not a Turkish version of the modern massage parlor," Mr. Cagdas said.

Formal but friendly, rather like a club, the anteroom in the men's section has a few modern accessories, like piped music and a hair dryer. In the main bath



A 19th-century painting depicts a Turkish bath.

hall, light streams through glassed-over vents in a vast dome above the octagonal marble massage podium at its center. At one side are controlled-temperature steam rooms and a sauna, installed recently.

On a weekday morning recently in the women's section, identical in layout but slightly less elegant, the clientele was a mixture of foreigners and local housewives, looked after by two cheerful female attendants attired only in gold earrings and voluminous knickers.

The treatment begins with a preliminary wash at what resembles a marble wall fountain with hot and cold taps. Then the customer is laid out naked on the heated marble slab, called the *habeek taxi*, and given an energetic rubdown with a wadded wool pad, like a scratchy oven mitt, that peels off a layer of dirt and dead skin in tiny shavings. Then comes a thorough soaping and massage, repeated after a rinse at the drinking fountain (there is no steam room in the women's section).

The process takes about an hour and leaves plenty of time between stages — used by the Turkish clients for hair washing and removing body hair (all of it).

The foreigners, several of whom had visited bathhouses in provincial cities during trips around Turkey, swapped travelers' tales, their voices echoing around the gray marble vault, which harmonizes pleasantly in color with skin tones of pink and brown in a warm steamy haze.

Afterward, in the anteroom, while the foreigners dressed in their cubicles and sipped glasses of tea, a Turkish customer, in a fit of post-bath cheerfulness, performed an impromptu belly dance while the attendant sang and beat time.

The best bath attendants, according to Mr. Cagdas, come from the eastern towns of Tokat and Sivas, where there is a tradition for sons and grandsons to follow their elders to the same city bathhouse.

—KERIN HOPE

Mideast Policy Reflects Growing Economic Ties

ANKARA — Turkey's Middle East policy is one of the most subtle and successful components of its foreign policy.

While managing to stay out of inter-Arab arguments, the Arab-Israeli dispute and the Iranian-Iraqi war, Ankara has strengthened its ties with Arab states ranging from Libya to Saudi Arabia and encouraged a remarkable performance there by Turkish contractors.

Increased regional ties with the countries of the Middle East and North Africa were given a new impetus after the army came to power in September, 1980. Rather than a shift away from the West or a dramatic departure of another kind, this renewed emphasis reflects the stable environment created by the military regime.

In the decade before the coup, mounting political instability and political terror prevented Turkish governments from dedicating the sufficient time to foreign affairs that would have reflected the area's economic and local political interests. In contrast, in recent months there have been high-level ministerial visits arranged with Jordan, Iraq, Libya, Syria and Iran as well as a state visit from Pakistan.

The Middle East's economic importance depends on the fact that Turkey imports more than 80 percent of its crude oil requirements, primarily from Iraq, Iran and Libya. Oil-rich countries like Saudi Arabia have also become a source of development aid free from political strings. And equally important, the Middle East has become a large market for Turkish goods.

In the first eight months of 1981, the share of the Arab states in Turkey's exports rose to 40 percent from 20 percent in the previous year. Turkish economic planners are eager to further increase the country's exports to the Arab states, and the Foreign Ministry has obviously kept this in mind.

Thus, in November of last year, Turkey downgraded its relations with Israel to the second secretary level to protest the proclamation of Jerusalem as eternal capital. De-

spite pressure from Arab capitals, Turkey's commitment to the West, in particular the United States, makes it unlikely to sever its ties to Israel. But it has denounced the Camp David accord and announced its support for the Fahd plan for peace in the Middle East.

Turkey recognized the Palestine Liberation Organization in 1976, and in 1979 became the first NATO country to have full relations with that organization. But because of allegations that Turkish and Armenian terrorists are being trained in Palestinian camps in Lebanon and Syria, the PLO has not had an altogether easy time in Turkey.

To win friends to supplement its NATO ties, Turkey has also worked through the Islamic Conference. The Islamic foreign ministers conference met in Turkey for the first time in 1976, and met in January of this year in Taif, when Turkey was represented at the summit meeting at the premier level for the first time. Turkey was among the states selected during this meeting to mediate between Iran and Iraq.

Turkey has remained neutral in the Iranian-Iraqi war and announced that it would not allow its territory to be used for the transportation of arms to either state. The war has been to the advantage of Turkey because it gave a big boost to transit trade and Turkish exports. Turkey hopes, however, that the hostilities come to an end without weakening either state to the extent that the Kurdish minorities are encouraged to rise.

Turkey's Middle East policy is likely to continue unchanged as long as the military is in power.

Turkish contractors have done remarkably well in the Middle East. Currently they have contracts worth about \$8 billion and the portfolio is steadily growing. About \$5 billion of the contracts are in Libya, which has specially warm relations with Turkey. Most of the rest is in Saudi Arabia and Iraq. The biggest Turkish companies active in the Middle East are Sezai Turkes-Feyzi Akkaya, Kullutas and Enka.

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Islam: A Powerful Force in a Secular State

ANKARA — Four pencil-thin minarets, their gold tips gleaming in the weak winter sunshine, thrust through the smog from a small hill in central Ankara.

Stacks of white marble slabs stand in frozen mud nearby waiting to be fixed to the walls of what will be the largest mosque in Turkey, larger even than the historic mosques that give Istanbul's Bosporus shore its characteristic spiky skyline.

When it is finished, the immense domed structure at Kocatepe will compete in its impressiveness with the pillared mausoleum of Mustafa Kemal Ataturk, the founder of modern Turkey, on a nearby hill-top.

The two buildings are symbolic monuments — one to the inherited traditions of Islam, the other to the secular direction taken by the country's Western-looking rulers since the 1920s.

Ataturk Message

Last January, Turkey's current leader, Gen. Kenan Evren, speaking in the religious center of Konya, reiterated Ataturk's message regarding the need for a clean break between church and state. "The nations of today cannot be governed with 1,300-year-old rules," he said, adding that effective government is impossible "if religion is mingled with affairs of state."

But while the vast majority of Turks express no desire to return to the old days of an Islamic state — like that of neighboring Iran or of Saudi Arabia — religion in Turkey is a force that no leader can afford to ignore.

About 99 percent of Turks are Moslems. And the last 20 years have seen a steady increase in the number of mosques, religious schools and imams. Furthermore, in the period of terrorism and anarchy that preceded the September, 1980, military coup, religious fundamentalism had reared its head in defiance of the secular principles on which the Turkish Republic was founded in 1923.

For more than 400 years before that, Turkey's ancient seat of Istanbul, formerly Constantinople, was the seat of the caliph, the spiritual leader of much of the Islamic world. One of Ataturk's first acts after defeating the Western powers that were occupying Turkey and the last of the Ottoman sultans was to abolish the caliphate.

At that time, family life in Turkey was still governed by articles of the Koran. The Arabic script was used, and women hid their faces behind veils and concealed their bodies inside the loose-fitting black robes now used in strict Islamic states like Iran and Pakistan. Ataturk put an end to all this, banning the turban and the fez and discouraging the veil.

Today, Turkey is a confirmed secular state. Western dress is pre-

dominant. One radio station in three broadcasts mostly Western pop and classical music. And the U.S. television serial "Dallas" is the country's most popular television program.

Nevertheless, pockets of religious fervor still exist. In the southern city of Konya, a traditional center of Islam, adherents of the Mevlana sect, known as the whirling dervishes, still perform their top-like dance to enter a trance and come closer to God.

And it was in Konya, only a few days before the generals moved to take over the reins of government, that Islamic leader Necmettin Erbakan, head of the National Salvation Party, led a large rally at which supporters wore religious clothing like the fez and carried banners written in outlawed Arabic script.

The nonviolent but defiant rally is believed to have helped snap the patience of the Turkish military, whose leaders had warned repeatedly in preceding months that all threats to the authority of the state, whether political or religious, had to be stopped.

Held After Coup

Mr. Erbakan, a former deputy premier, was arrested immediately after the coup and is now on trial together with 33 other leaders of his party, which at its political zenith in the mid-1970s won 12 percent of the vote.

Today, there are 35,000 mosques

in use in Turkey, ranging from giant complexes like the Blue Mosque in Istanbul to tiny village prayer rooms. Official figures mention 365 schools for preachers and imams and 2,700 authorized schools where the curriculum is based on the Koran.

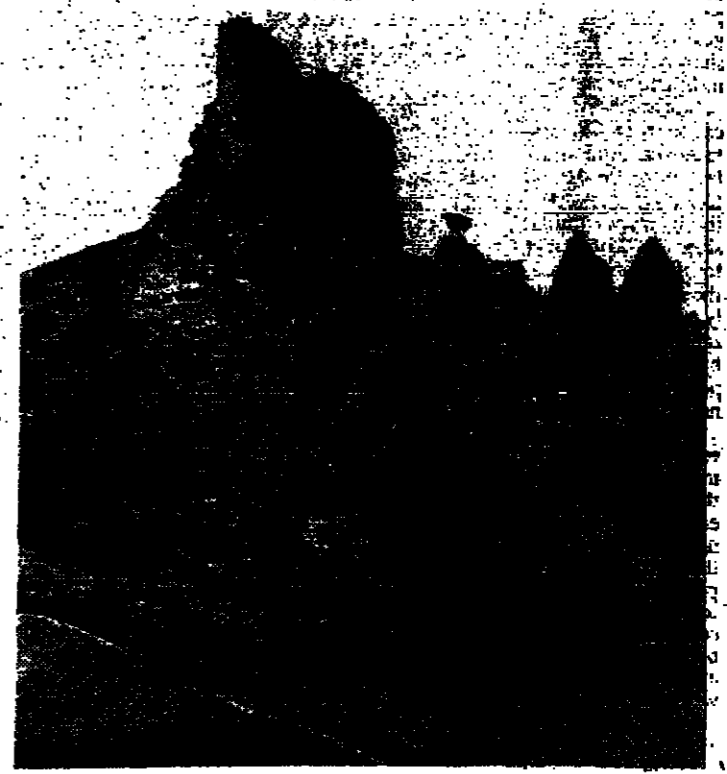
Under the conservative governments of the 1960s and the 1970s, religious schools were encouraged, in part to redress the balance after an earlier pre-World War II ban had seriously reduced the ranks of the clergy.

Since their takeover, the generals have somewhat fallen into line with the trend toward increased religious influence in education. In what is seen as an attempt to create a generation of more pious, traditional-minded youths less vulnerable to Communist subversion, they decided to reintroduce compulsory religious classes in all Turkish schools.

Although for pragmatic, mainly economic reasons Turkey has recently edged closer to the Islamic world, becoming an active member of the Islamic Conference, its leaders appear convinced that fundamentalist contagion is not a serious danger.

Asked recently whether he feared an Islamic revival in Turkey, Gen. Evren said: "Definitely not. If we had feared that, we would not have added religion lessons to the curriculum of our secular schools."

TURKEY



Cappadocia: Sculptured landscapes are tinted with greys and greens, pinks and golds.

Area of Natural Beauty Worth a Detour

GOREME — Most visitors to Turkey dedicate their vacation time to the wonders of Istanbul, to Thrace and the Marmara region, to the splendid coasts of the Aegean and Mediterranean seas.

But in central Anatolia, Turkey's Asian heartland, lies Cappadocia, an area of dramatic and startling natural beauty that is well worth the detour.

Cappadocia is a region of approximately 5,000 square kilometers, a high plateau lying at the feet of three extinct volcanoes, Erciyes Dagi, Hasan Dagi and Melendiz Dagalari. Violent eruptions many millennia ago covered the area with layers of lava that gradually turned into soft, porous tuff rock.

Buffeted by winds and rains for thousands of years, the softer parts of the tuff have gradually been carved into strange surrealistic shapes. The result is a spectacular landscape of towering pinnacles, protruberances, capped rock cones and frozen valleys and ravines, with oxidation causing the colors to shift subtly, from valley to valley, from cool greys and greens to warmer pinks and golds.

Human Settlement

Traces of human settlement in the area go back as far as 3,000 B.C., and over the centuries it came under the rule, successively,

of the Hittites, the Phrygians, the Persians and the Byzantines. From as far back as 400 B.C., when Xenophon mentioned it in his Anabasis, the inhabitants of the region burrowed into the soft rock to dig out rudimentary dwellings.

But it was between the fourth and the 13th centuries when persecuted Christians took refuge in the region from the Arabs, that the building of homes, monasteries and frescoed rock churches made Cappadocia into a prime example of a symbiosis between nature and man.

The heart of Cappadocia is the triangle bordered by the towns of Nevsehir, Kayseri and Nigde — and it is the Goreme valley, with its accessible and fascinating frescoed early rock churches, part of the religious school set up by St. Basil, that is the single most important tourist destination.

In this valley of cones, there are rock dwellings sometimes as high as six stories. Other cones and rock formations were hollowed out into traditional church architectural forms, with domes, apses, columns and arches. The earlier churches are decorated in deep red with the symbols of the iconoclastic period (725 to 843). In later years, these were replaced with richly colored and highly detailed frescoes illustrating the life of Christ and other Bible themes.

A few kilometers away are the ruins of the ancient, pink-hued rock town of Zelve, inhabited first by the Byzantines, later by the Armenians and, like much of the area, then until 1924 by the Greeks. The road to Zelve winds through a valley studded with magnificent rock-capped pinnacles that have evolved through a lengthy process of erosion that left the harder rock on top, shaped into stone "hats" for the pinnacles, supporting them.

Ancient Town

In the tiny village of Uchisar, there is a splendid view of the Cappadocia valley from the town's ancient fortress. Many of the cones — studded with dovescotes — are still used today by the villagers as storage depots.

Urgup, a village at the foot of a picturesque cliff riddled with troglodyte dwellings, is the principal tourist center in the area. Both it and the slightly larger Nevsehir are ideal departure points for visits to these and other nearby places of interest, including the fascinating and somewhat frightening underground cities of Kaymakli and Derinkuyu. (There is daily bus service to the Cappadocia area from Ankara as well as daily flights to Kayseri from Istanbul, Izmir and Ankara.)

—SARI GILBERT

A Paradise For Nibblers And Noshers

Special to the IHT

ISTANBUL — For a first-time visitor to Turkey, a menu can prove mystifying. What on earth is eggplant cooked "split-belly" style, "sultan like it" or "imam fainted"? What kind of meat dishes are "priest's stew" or "woman's thighs"? What to make of desserts called "beauty's lips," "woman's navel" or the less-voluptuous-sounding "grand vizier's finger"?

One hasty reaction might be to give up on restaurants altogether. The Turks are great snackers and a variety of nibbles from sesame rolls to roast corn is available on street corners. The many nut and candy stores are also a noshers' delight. And then there are the pastry shops where dozens of types of baklava beckon temptingly from window displays alongside other honey or syrup-soaked delicacies.

Another solution might well be the kebab houses, which are tantamount to a national institution. One luscious and filling alternative is doner kebab, which can as easily be taken out in sandwich form — mixed variously with salad and onions or topped with pickles or



Sesame-roll vendors don't wait long for a client.

fries — as eaten inside on a plate with a side order of rice.

Doner kebab is round slices of lamb (or lamb alternated with other meats) slowly roasted on a huge revolving vertical spit and trimmed by the cook, as portions are gradually cut off, to maintain the form of a giant inverted cone.

But the varieties of roast meat kebabs — meat cooked in chunks — are infinitely greater. Adana kebab, for example, is spicy meatballs on a skewer. Bursa style is kebab served on freshly baked flatbread, perhaps with a dollop of butter on top and a dish of yogurt at the side. Yogurt kebab is chunks of roasted ground meat on a bed of flat spiced bread called pide, decorated with green pepper and tomato, covered with yogurt and briefly popped under the broiler. For those who like eating what they are familiar with, there is the classic sis or shish kebab of skewered meat, tomato and onion barbecued together.

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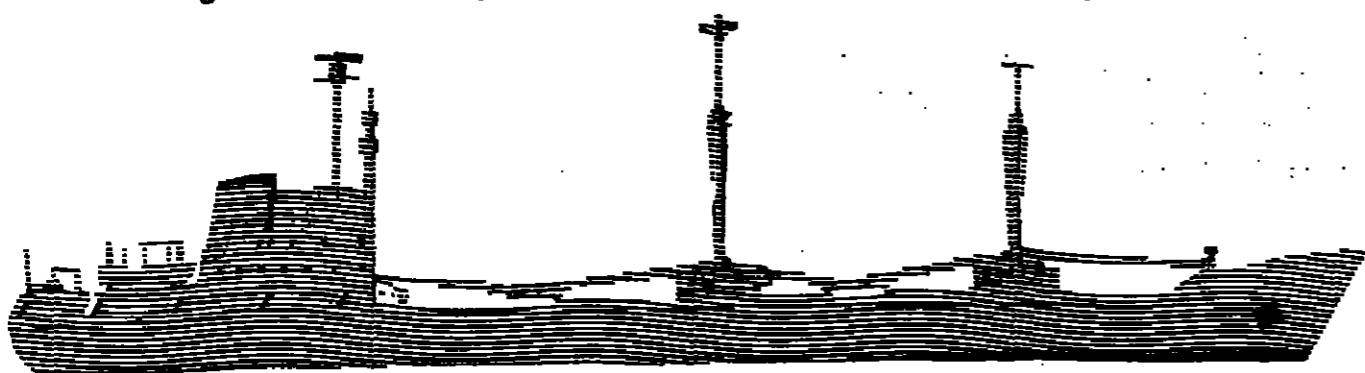
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Press Treads Cautious Path Since Takeover by Military

STANBUL — Since the armed forces took power in September 1980, the once-freewheeling Turkish press has increasingly been forced to tread a cautious path between compliance and guarded criticism that contrasts sharply with its former outspoken, independent performance.

Radical rightist and leftist publications were shut shortly after the takeover. And a recent purge of leftists in the state-run radio and television network indicates that the country's military rulers consider at least one branch of the fourth estate fair game — although the move against the already tightly controlled broadcasting organization was apparently motivated by concern over some employees' political affiliations and not by the network's program content.

But in general, according to several Turkish journalists and columnists, for a military dictatorship the current government has so far exercised considerable restraint in its dealings with the press. Indeed, there is little direct control of the press and most of the current editorial caution is a product of self-censorship. Naturally, there have been clashes between the military and the press, and much of the self-imposed moderation reflects an understandable desire to avoid sanctions and reprisals.

At various times during the last 14 months, authorities have briefly shut three of Turkey's leading dailies. On one of these occasions, two newsmen were briefly detained for printing economic reports that led to panic-buying. More recently, a commentator from the leftist paper Cumhuriyet was stopped at the airport as he prepared to board a flight to West Germany.

The freedom of the press, curtailed after the coup, was further restricted last June when the gen-

erals issued a communique barring former politicians from making written or oral statements, and prohibited the press from writing articles — about political parties and other associations — that could "mislead the public." Writing articles that create "alarm and despondency" was made a punishable offense.

But the widespread compliance with these rules and regulations — rarely have Turkish news organs chosen to ignore orders from martial law commanders to omit news items or publish only government-approved reports — also reflects the fact that, despite growing concern over the future, much of the press is willing to give the generals the benefit of the doubt.

"Perhaps the press should have spoken out immediately to defend the parties and the politicians," said Nazli Ilıcak, chief editor of the rightist Tercuman, and currently one of the country's most outspoken commentators.

Ms. Ilıcak, who together with another Tercuman columnist is reportedly now to be charged with violating the June communique in two articles in late October, explained that the entire press community had been deeply shocked by the February, 1979, terrorist murder of Turkey's most prominent journalist, Abdi İpekçi, editor of the independent paper Milliyet.

"The military takeover caused widespread relief, the government's success against terrorism gave it great prestige, and this all adds up to a great deal of tolerance and understanding," she added.

"I am against their policies, but they saved my life," said a reporter from Cumhuriyet, which although more critical than other dailies — for example it frequently reprints critical articles about Turkey from the foreign press — also tends to



Copies of Hurriyet roll off presses in Istanbul.

moderate its views. The reporter said that terrorism before the takeover had led many journalists to carry guns.

Return to Democracy

Orhan Durn, a well-known political commentator for Milliyet's Ankara bureau, concurred, adding that the press moderation so far reflects the widespread belief that the generals will eventually restore parliamentary democracy. "They have given us their word that when the crisis is over they will leave," he said. "We are patient because we believe them."

The press, of course, has by no means been totally passive, and for

every commentator who has stopped writing there are dozens who are slowly, carefully trying to develop styles or formulas that will allow them to express their views and, perhaps, to influence the country's rulers.

A commentator who has sought — successfully so far — to present his criticisms subtly enough so that there is no opposition, said: "The problem is that today no one is quite sure just what is fit to print."

According to several Turkish journalists and commentators, the current ground rules seem to permit criticism of the government, its ministers and its policy decisions. Criticism of decisions by the five-member National Security Council

is more difficult but possible "if done in the right way." Criticism of the martial law commanders and of the army is out of the question. And direct criticism of head of state Gen. Kenan Evren is very risky, they said.

Tercuman Closed

Thus, Tercuman was closed for 10 days in November after Ms. Ilıcak criticized Gen. Evren in articles condemning the recent dissolution of Turkey's parties and the criteria used to choose the members of the Consultative Assembly.

On the other hand, using another tone, most of Turkey's papers openly criticized the composition of the assembly, whose members were appointed to write a constitution. The press also reacted strongly, and without raising any military eyebrows, when in early November that assembly's president suggested that the new constitution could take as long as two years to write.

Recent developments — the temporary shutdown of Tercuman and the charges against its columnist — have made the situation more tense and led some journalists to contemplate a press pact by which the papers, as a group, could protest against shutdowns or other curtailments of free speech.

Turkey's newspapers can help speed the return to democracy by insisting that elections be held in 1983. The military's failure to do so would then be seen by the public as a serious breach of confidence.

Another newsman said that it was in everybody's interest for the press to continue to speak its mind. "When all the voices are silent, it is impossible to gauge dissent," he said.

— SARI GILBERT



A giant poster of Ataturk covers half of a building in Ankara.

Reminders of Ataturk Abound

ANKARA — The face, with its high cheekbones, prominent nose and piercing glance, is everywhere — gazing down from the walls of every office, peering out from bookstore windows, looking very much the sentinel at entrance gates to railway stations, airports, public buildings, monuments and museums.

There are life-size statues, modernistic sculptures, bronze masks and copper busts. Like the ubiquitous portraits that hang everywhere in aging frames — usually a photograph of him in evening dress or a color portrait in World War I military uniform — these symbols serve to bring home the fact that 43 years after his death, Ataturk, born Mustafa Kemal, is very much alive in the Turkish republic he founded in 1923.

Long ago, Ataturk, literally "the father of the Turks," was enshrined in the pages of history for his stubborn determination to bring backward Turkey into the West. A nationalist and an anticlerical reformer, he used secularism and Western institutions, including the Latin alphabet, to point the heirs to the Ottoman past in the direction of democratic reform, modernization and national independence.

Others have found the emphasis on Ataturk somewhat unsettling. "It's approaching the level of a personality cult," a Turkish political scientist said, while still others have questioned the wisdom of looking to the past for answers to contemporary problems.

Like most reformers, he was only partially successful. But this year, 1981, marks the centennial of his birth, and Turkey's military rulers have been making the most of it. When they took power in September, 1980, they explained their action as an attempt to steer the country back to the path of Ataturk. And since then they have sought to appear as his natural, if

temporary, successor, champions of a modern and united Turkey.

The year, opening with Gen. Kenan Evren's salute to Ataturk — military hero, reformer and statesman — as "among the greatest leaders known to mankind during the last century," has seen a succession of commemorations at the stately Ataturk mausoleum in the capital he founded at Ankara, and elsewhere in the country.

Repeatedly, the generals have stressed the value of Ataturk's six principles — republicanism, reformism, secularism, nationalism, populism and "etatism," by which is meant state intervention in areas neglected by the private sector.

The emphasis the generals have given to Ataturk's legacy has been seen by some as an effort to reunite a strife-torn country, by others as an attempt to reinforce the generals' own legitimacy. And the casual juxtaposition here and there of Ataturk and Evren photographs leads one to wonder what Turkey's current de facto ruler actually has in mind.

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Public Support
But among most Turks, who admittedly are fed Kemalism from their earliest days at school, there seems to be a general willingness to admit, if not the universality, then at least the lasting applicability for Turkey of much of Ataturk's thought.

A journalist in Ankara who compared Ataturk to the United States' George Washington said, "He was a good founding father, precisely because his principles are still effective."

Women are grateful for the legal equality he endowed them with so many years ago. And jurists say that Ataturk's adoption of the Swiss civil code, the Italian penal code and the German business law gave the country a head start in its long journey toward modernization.

One of the aspects of Ataturk's legacy that was emphasized repeatedly at several recent international symposiums in Ankara was his commitment to secularism, that is, to a real separation between church and state that leaves religion to the individual conscience.

One of his first acts after founding the republic was to bar Turkish men from wearing the fez. Another was to discourage women from continuing to wear the veil. "The republic of Turkey will never be a country of sheikhs, dervishes and disciples," he once said, promising to rid the country of "fortune-tellers, magicians and witch doctors."

Given recent developments in some neighboring countries, particularly Iran, some Turks think this part of Kemalism is today particularly relevant. A participant in Ankara University's recent symposium on "the universal dimensions of Kemalist thought" said: "Kemalism is the only solution for a Moslem country because Islam, as a governing force, has always proved to be suffocating."

— SARI GILBERT

Bazaar Has Changed but Still Casts Spell of Fascination

STANBUL — In the old days, of course, it was different. Robbed merchants and tradesmen from every part of the Ottoman Empire sat side by side on long carpeted platforms, their wares or work materials stacked behind them, while crowds of potential customers, themselves of varying nationalities, pushed by in search of icons, embroideries, silver coins, fine fabrics, Persian carpets, jewelry, hanging lamps and Arabian daggers.

Nevertheless, the Grand Bazaar near Beyazit square in old Istanbul still casts a spell of fascination. Considerably larger than the first bazaar built on the same site by Sultan Mehmet the Conqueror, in 1461, the bazaar is a city unto itself, complete with a mosque, 10 prayer houses and a Turkish bath.

Thirteen gates lead to a labyrinth of 82 streets and alleys, a thriving commercial center where copper drinking cups hang from ancient marble fountains and pairs

of shopkeepers play backgammon to while away the time between customers. It is where merchants gather in tight little knots outside their shops to discuss prices and shipments, and agile bar boys with clipped dark hair dart through the crowds, carelessly swinging trays of brimming tea glasses.

The blue-bereted anti-terrorist police, with submachine guns in the crook of their arms, patrol the area in pairs, sounding a sad contemporary note. But their presence seems to have little effect on the traditional hustle and bustle that spills out of the bazaar into the surrounding area.

In the narrow streets that skirt the Kapalicarsi, there are at least 20 hans, commercial buildings with inner courtyards, which are divided into tiny shops and artisans stalls. Here, an old man fixes watches, while next door a dark-haired cook, his back to a platter of heaping rice, prepares meatballs

for a lunchtime snack. Passing vendors sell everything from stuff-it-yourself leather poufs and freshly baked cookies to small bags of pumpkin seeds and single packs of harsh Turkish cigarettes. A small bench is piled high with shiny red pomegranates, and a weary-looking old man has stationed himself next to a strategically placed portable scale.

Bargain Hunters

On a normal day, officials estimate, about 50,000 to 60,000 people pass through the bazaar. On public holidays (the bazaar is open daily from 8:30 a.m. to 7 p.m. and closed on Sundays), that number may rise to 200,000. Many are simply people taking a shortcut through the bazaar's vaulted, high-ceilinged passageways, but there are thousands of shoppers, both Turkish and tourist, looking for bargains in anything from leather jackets and bridal gowns to Oriental carpets, brass or copperware,

jewelry (old and new), antique firearms, furniture and towels (Turkish, of course).

Although the bazaar does a brisk trade in tourist items — Turkish shoppers have learned to preface a purchase by saying, "Don't give me the tourist price, please" — it is also the city's major shopping center. Tens of thousands of products, the output of 87 different trades, are sold here. And with the exception of the main streets, where shopowners pay higher rents for the added exposure, it is organized into product sectors: jewelry, carpets, leather goods, furniture and so forth. Over the centuries, the bazaar has been repeatedly destroyed and restored: An 1898 earthquake caused extensive damage, and fires in 1943 and 1954 made much rebuilding necessary.

Today, therefore, many of the bazaars' 3,000-odd shops have plate glass storefronts and modern

window displays, and accept credit cards or travelers checks. The growing tourist trade has led to other changes, like the aggressive foreign-language sales pitches broomed by old Istanbulians worrying about the disappearing Ottoman tradition of dignity at any cost.

Little Influence

The bazaar plays a special role in Istanbul life but, unlike in neighboring Iran, the merchants here never seem to have exercised any particular political influence.

"As the center of huge financial transactions, we naturally have access to the mechanisms of power," said a spokesman for the bazaar administration. But when the city government recently insisted on invoices for all gold transactions and ordered all neon and electric signs removed, protests by the merchants involved had absolutely no effect.

— SARI GILBERT

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Ankara: Crossroads of History

Special to the IHT

ANKARA — When the open-topped Benz car, muddy and spattered, carried Mustafa Kemal into Ankara in 1919, it was a cold day in December. The war-hardened soldier was touring frozen Anatolian towns, preparing his career as a revolutionary and national leader for which he was later dubbed Atatürk — father of the Turks.

The tires of his car, long since punctured on the icy tracks through the steppes, were stuffed with the undershirts of his companions to soften the bumpy ride. There was still no final decision to make Ankara, as it was then called, the capital of Turkey. There could hardly have been a greater contrast than that between this town, known only for the wool of its shaggy Angora goats, and the rambling, cosmopolitan city of Istanbul, formerly Constantinople and the seat of the sultan.

The roll call of peoples who during the centuries ruled over the craggy Angora hilltop reads like a who's who of Anatolian civilizations. Hittites were followed by Phrygians, Lydians, Persians, Macedonians and Galatians. It was a Christian center under the Romans and Byzantines and finally, when the Seljuk Turks crept in from the east, it became Moslem and a part of the Ottoman Empire.

Meeting Near City
So it was when the magnificent but battered Benz arrived, threading through the vineyards that then lined the hills. Following custom, the community leaders left the city limits to greet the man they saw as their hope for a brighter future.

The point where they met, then a wearying walk through open country, is now marked by an inscribed stone slab. But today it is no longer surrounded by vineyards and, at their edge, the bleak Anatolian steppes. It has been hemmed in by buildings. Nearby stands the parliament building and government ministries, and behind them line upon line of medium-height apartment blocks stretching up the hill to the wealthier Cankaya sub-

urb and down across the valley floor to Ulus, the ramshackle old business center. In the 50 years since it was named the capital, the little town has exploded and is unrecognizable. The population, then counted in thousands, is now about 2.5 million.

It is not a city that is easy on the eye. Official buildings are mostly drab and square — one longtime American resident calls the style "early penitentiary." And apartment buildings, thrown up in haste by profiteers, are uniformly uninteresting — variations on a box-like theme.

Nor is Ankara situated in a natural bowl, easy on the lungs. In winter the pollution catches in the throat. Sometimes the smog, mainly caused by the soft brown coal used to heat apartments and offices, is so thick that cars use headlights by day. A favorite target for photographers on a foggy day is the statue of a soldier in the central Ulus square peering out at the horizon under a hand shielding his eyes.

Overcrowded City

It is an overcrowded city. The pavements overflow with warmly-wrapped commuters lining up for a bus or a *dolmuş*, the big U.S. cars converted into cheap, fixed-route taxis. Vehicles move to the shrill whistle blasts of gun-carrying traffic police on the crowded sidewalks.

The whistle blast is a characteristic sound of the capital. At night in the wealthier suburbs, watchmen communicate through the darkness with short and long trills. Occasionally, between the watchmen's whistles a yell of *boza* booz is carried through the air as a door-to-door seller of *boza*, a spicy drink of fermented millet, emerges under a streetlight.

Daytime brings out horse-drawn carts — soon to be banned from Ankara's main streets — urged on slowly by vendors crying out the merits of their wares: plump onions, golden tangerines, large dark-purple eggplants and cabbages the size of bowling balls.

Two out of three Ankara dwellers live in hastily built *gecekondular*, shanty houses scattered

over the surrounding rocky hills and bare valleys that give the city its nickname, "the big village."

A comparatively poor city, Ankara has few of the amenities a foreign visitor would expect in a major European capital. Fine restaurants are a rarity, theater is uninspiring and films far out of date, so the visitor is likely to find himself doing as the local people do — sipping tea in neighborhood cafes alive with the slapping of playing cards, the clicking of dominoes, the rattle of dice and the jabbering of earnest conversation.

The city's critics argue that little has changed since the days of Yahya Kemal, a prominent poet of the early republic who wrote: "The best thing about Ankara is returning to Istanbul."

For the visitor, however, there are compensations:

- The Hittite Museum, located in a converted Seljuk caravansary, includes among its archaeological treasures imposing Hittite friezes and delicate pottery.

- Atatürk's mausoleum at Anıttepe is an obligatory stop for visiting dignitaries. This impressive monument includes the tomb of the republic's founder as well as his fleet of splendid vintage cars.

- In the old city, steeply winding streets take you through the copper alley and the spice market and up to the old citadel with its cobblestoned streets and half-timbered homes.

- Ankara is not an epicure's dream, but there are some worthwhile restaurants. The *Krisal*, in Beşiktaş, Söğüt, Kızılay, serves quickly and efficiently very good standard Turkish food. It provides excellent *meze* (hors d'oeuvres) and is ideal for a business lunch. It is little-frequented and gloomy at night. Next door is *Korfez*, smoky and noisy, an excellent traditional eating house where *rakı* (the aniseed drink mixed with water) is the usual order with spicy dishes. The *Uluçdag* restaurant produces one dish: *kendir kebap*. This is slices of lamb cooked on a vertical spit, laid on *piide*, or flat bread, with yogurt, hot tomato sauce and a splash of hot melted butter. Delicious.

Rugs are still a big business in Turkey. In recent years, sales of Turkish handmade wool and silk rugs have increased several times, with exports last year amounting to a record \$79 million, against \$41 million in 1979.



Tourism: A Potential Giant Gets a Boost

ISTANBUL — Turkey's southern coast, where rivers meander through green plains littered with imposing ruins of ancient cities and plunge over cliffs into the dark blue Mediterranean, brings to mind the legendary land of the lotus-eaters.

Endowed with long stretches of unspoiled beach and almost year-round sunshine, it seems ideal for tourists tired of polluted, overcrowded shores elsewhere. But although Antalya is a center for domestic tourism, there is a noticeable lack of foreign visitors for what the brochures call the Turkish Riviera.

In fact, Turkey attracted only 1.2 million foreign tourists in 1980, a meager total compared with almost 6 million who visited Greece and one that fell far below the record of 1.7 million arrivals five years ago.

"Here and elsewhere our tourist industry has enormous potential," said Ahmet Dolunay, director of tourism for the Antalya region.

"We have all the right things — beaches, scenery, history and folklore — but most of the infrastructure is lacking and we don't promote ourselves enough."

The picture may now begin to change, however, for Turkey's military rulers have placed tourism

development high on their list of priorities. This year, 5 percent of the budget was earmarked for the industry, with spending concentrated in four main areas: Istanbul, Cappadocia and the Aegean and Mediterranean coasts.

A new bill before the National Security Council would create generous incentives for foreigners to build and manage hotels and vacation villages in some of the better coastal sites.

Tourist Boom

The Mediterranean tourist boom 10 years ago bypassed Turkey, which has remained a country for adventurous travelers rather than sun-seeking idlers. Communications problems, a shortage of European-standard hotels and, in recent years, terrorism dented both tour operators and prospective visitors.

This year, however, according to Ministry of Tourism officials in Ankara, things are beginning to look up, with receipts for the first six months of 1981 up 35 percent from the period last year. Arrivals increased by 26 percent in the same period. The aim now is to double the 56,000-bed capacity and try for 5 million tourists annually by 1986.

Once the new law goes through,

the way is open for rapid development of selected areas along a 7,000-kilometer coastline. The package for potential foreign investors would include full equity ownership, leases of up to 99 years on state-owned property at low rents and tax exemptions on 20 percent of foreign exchange earnings.

The government's commitment to provide the right kind of infrastructure has been demonstrated with the opening of the Dalaman airport specially constructed with tourism in mind between Bodrum and Fethiye on the Mediterranean coast. The new airport will help development of the little-known Koycegiz region of sandy beaches, thermal springs, lakes and pine-woods.

Roads, water, electricity and sewage systems are being installed for what is envisaged as a hotel, bungalow and campsite resort with up to 10,000 beds.

Ambitious Plans

Plans for the area south of Antalya are even more ambitious. A new highway to the Gellidonya peninsula past wooded coves, overlooked by the dramatic forested peaks of Mount Olympus National Park, is almost completed. Hidden on sheltered promontories are ancient sites like the port of Phaselis, with overgrown streets, a tumbled aqueduct and a massive amphitheater — the hallmarks of the Roman cities strung along the Turkish coast like charms on a bracelet.

The south Antalya project foresees a total of 25,000 beds in resorts spread along the shore, with the small town of Kemer due for enlargement as a services center. A Club Mediterranean village has been established near Kemer for some years and is now seeking to expand.

East of Antalya, preparations for a 12,000-bed project are under way in three locations on the long sandy beaches that extend on each side of an ancient site, once a pirates' lair.

— KERIN HOPE

TURKEY

Effort Made to Ease An Energy Shortage

ANKARA — When the lights went out in mid-conversation, the elegant Ankara hostess was unperturbed. Scarcely passing between words, she rose and moved around the room, nonchalantly lighting a dozen strategically placed candles.

Daily power cuts of up to three hours are the rule in Turkey, where winters can be harsh. They are a chilly reminder of the energy shortfall that is often now described as Turkey's No. 1 problem.

"Energy production went up by some 8 percent this year, but the situation is still terrible," an Istanbul university economist said. "Even though we should reach a balance between supply and demand by the end of 1983, an enormous amount is still needed for long-term industrial development."

At present, Turkey imports more than 85 percent of an annual oil requirement of about 18 million metric tons, which in turn accounts for more than 40 percent of energy production. Although consumption is modest by developing country standards, the oil bill last year totaled \$3.2 billion, considerably more than the \$2.9 billion earned by Turkish exports in 1980.

Hydraulic power covers another 40 percent of energy output, with the remainder supplied by lignite-fired thermal plants and light use of hard coal. While hydraulic and thermal power production has increased since the 1973 energy crisis, in accordance with a long-term aim to achieve self-sufficiency in energy by the end of the century, Turkey is likely to remain heavily dependent on imported oil in the immediate future.

Experts admit that the country is suffering the consequences of a shortsighted policy that allowed

imported oil to fuel rapid economic growth through the first half of the 1970s rather than emphasizing domestic energy sources like lignite, of which Turkey has reserves reaching at least 6.5 billion tons. Other factors contributing to present difficulties are wasteful management of existing resources and crippling delays affecting the completion of several ambitious power projects.

The Afsin-Eldivan plant in the southeast, called the world's largest lignite-fired thermal plant, is a case in point. Its four turbines should have been in operation two years ago to cover about 25 percent of total energy needs. But terrorist activity and labor and financing problems brought work to a virtual standstill in 1979. The first unit will not come onstream before next summer, while the completion of the plant has been moved back to 1985.

Past obstacles and the warnings of foreign experts have not deterred planners from pushing ahead with other giant projects, however. In October, Gen. Kenan Evren dedicated the Ataturk dam on the Euphrates River, a \$4-billion project that should almost double Turkey's present generating capacity of 23,000 kilowatt-hours. The first of six units is scheduled to start up in 1991, with the rest following at three-month intervals.

Also on the Euphrates, the first of six units at the Karabaya dam, which will have an 18,000-megawatt capacity, should be completed by 1985, while the 155-megawatt Keban dam is being extended with the addition of four units of 170 megawatts each.

Meanwhile, Turkey is promoting trade with Middle East oil producers. "It's an ill wind that blows nobody any good," an economic commentator said, referring to the boom in exports to Iran and Iraq because of war-induced shortages.

In fact, Iraq is Turkey's biggest oil supplier this year, providing 8.5 million metric tons, against approximately 3 million tons each from Iran and Libya, another major export market. As a result, an oil bill estimated at \$3.5 billion should be comfortably covered by exports, which may surpass \$4 billion this year.

At Turkey's own oil fields near Diyarbakir in the southeast, production should rise this year to top 2 million metric tons, following two new small discoveries. But time is running out, as Yildirim Akhtar, the head of the state planning organization, pointed out recently: "With the existing fields, we are essentially flogging a dead horse."

The World Bank is backing a \$70-million scheme for secondary recovery by carbon dioxide injection at the Batı-Raman field, which should increase production by 3 million metric tons annually for 15 years when it takes off in 1984.

Officials seem optimistic that Turkey, which borders on several important oil-producing countries, could have substantial undiscovered reserves. A series of incentives introduced in January, 1980, have encouraged more than a dozen foreign oil companies to express interest in onshore and offshore exploration, mainly in the southeast where the Turkish Petroleum Authority, Shell and Mobil are established.

The independent American Huffco Oil and Gas Exploration Co., which scored notable successes in Indonesia, took out licenses earlier this year for exploration of almost 2 million acres in the southeast. But opinions differ as to the likelihood of a major strike, for although this region is part of the Arabian shield, it is geophysically fractured, suggesting that the oil may be confined to small pockets.

Whatever the outcome of the exploration program, Turkish energy planners are not counting on an energy bonanza. Solar and geothermal projects are being studied together with plans for expanding the use of natural gas, which at present is exploited on a small-scale basis for heating hothouses on the Mediterranean coast.

Nuclear power produced from local uranium is intended to be the eventual solution to continually increasing energy needs. Turkey's uranium reserves are thought to be around 4,500 tons but could well prove higher.

— KERIN HOPE

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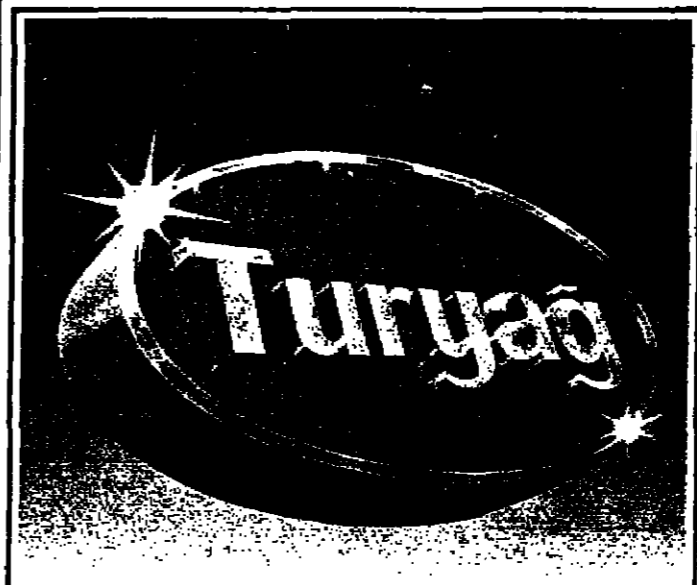
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BUSINESS NEWS BRIEFS

Metallgesellschaft Expects Lower Dividend

FRANKFURT — Metallgesellschaft will not be able to maintain the total dividend of six Deutsche marks paid in 1979-8, managing board chairman Karl Gustaf Ratjen said Tuesday.

Mr. Ratjen said he hoped the basic dividend of five DM would not be reduced. He said net profits were sharply lower this year and he estimated the drop in gross profits at 40 to 50 percent.

Group turnover rose by 11 percent in 1980-81 to a provisional 10.08 billion DM from 9.05 billion DM, but domestic turnover fell 11 percent to 4.26 billion DM from 4.82 billion DM.

CIT Alcatel to Try for Europe Microchip Market

PARIS — CIT Alcatel said it will begin marketing a machine for producing microchips in Europe next year to try to reduce imports from the United States.

A spokesman for the company, part of the Cie. Generale d'Electricite group, said it hopes to take 25 percent of the European market for such machines next year and will also begin trial sales in the United States. The machines will be priced at about 800,000 francs each (about \$142,855).

Scottish Bank Opposes Hongkong & Shanghai Bid

LONDON — A merger between the Royal Bank of Scotland, the largest Scottish clearing bank, and the Hongkong & Shanghai Banking Corp. would not be in the British public interest, the Royal Bank said Tuesday in a statement.

The Royal Bank, which has agreed to merge with Standard Chartered Bank, said no other developed country would allow a major domestic bank to be taken over in a contested bid that would transfer control to a remote base.

Japan Videotape Production Tops 1 Million

TOKYO — Booming exports of Japanese videotape recorders pushed production above the 1 million mark in October for the first time, the Japan Electronic Industries Association said Tuesday.

The export surge was expected to slow considerably next year, however, because of gloomy economic conditions in the United States and European Economic Community and the year's recent appreciation against the dollar, an association spokesman said.

Major Japanese Timber Import Firm Bankrupt

TOKYO — A major Japanese timber importing firm was declared bankrupt Tuesday, another victim of a slowdown in some sectors of the economy that is expected to make 1981 the third worst year on record for company failures in Japan.

The timber firm, Shin Asahigawa, had debts totaling 61.7 billion yen (about \$288.3 million). It was the second biggest corporate bankruptcy this year after Osaka Shoken Shinyo, a securities financing firm that had debts of 98.9 billion yen.

ABC News Buys Minority Interest in UPTIN

NEW YORK — ABC News has purchased a minority interest in UPTIN, a worldwide television news service. ABC joins Independent Television News of London and United Press International in the ownership of UPTIN, which has been jointly operated by ITN and UPI.

ABC News and UPTIN have maintained a news exchange agreement since ABC sold its foreign newscast service to UPTIN in 1976. UPTIN provides video and television news reports to more than 150 stations in 77 countries. ITN and ABC announced the new partnership Monday.

Dome Group Applies for LNG Export Project

VICTORIA, British Columbia — The British Columbia Petrochemical Project has filed a proposal with the provincial government for a \$1.4-billion plan to export liquefied natural gas to Japan.

The group, comprising Dome Petroleum, Canadian Occidental Petroleum, Mitsubishi Chemical Industries, Mitsubishi Petrochemical, Mitsubishi Corp., Asahi Glass and Westcoast Transmission, said the project will involve an inland feed stock complex and a large new petrochemical complex including transportation, storage and terminal facilities.

EEC Fines Moët Hennessy for U.K. Resale Ban

BRUSSELS — The EEC Commission fined French champagne producer Moët Hennessy \$1.2 million Tuesday for breaking EEC trade rules.

The commission said that the firm's British subsidiary, Moët et Chandon (London), in contracts with British wholesalers between January, 1980, and October, 1981, banned resale of the champagne outside the country.

Boeing Trying to Convince French to Purchase AWACS

By Axel Krane
International Herald Tribune

PARIS — Boeing officials said here Tuesday that they were hopeful of selling the French Air Force three and possibly five of their AWACS planes, against strong, and apparently French-favored competition from Grumman, which is seeking to sell Hawkeye radar planes to France.

The entire contract, depending on who wins, could be worth as much as \$400 million.

Until recently it was assumed in U.S. and French aerospace circles that Grumman's proposal to sell France four and possibly six of its E-2C planes was favored by French defense planners. Each of the Hawkeye planes would cost \$28.5 million.

But the government of Francois Mitterand indicated to Boeing officials that it might be interested in its proposition, which reflected new thinking in the government with regard to diversifying military procurement, industry sources said.

Boeing vice president John Schmick said at a news conference here that his company had not made a formal proposal yet to sell France its Airborne Warning and Control System planes, but that he and other company officials had outlined the costs and advantages of the AWACS over the Grumman planes to French defense planners.

The unit cost of three or possibly five AWACS would total around \$78 million, he said, adding that Boeing was hopeful of making a detailed proposal early next year. "The timing is up to the French government," he said.

In a published statement comparing the two planes, Boeing said that under similar operating conditions and requirements, "three times as many E-2C aircraft are required as E-3As (AWACS) to provide the same airborne early warning coverage."

Officials also stressed that the first deliveries of a fleet of 18 AWACS for NATO forces would be in early 1982. Last month, according to a report in

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Mobil's Bid for Marathon Blocked

By Robert J. Cole
New York Times Service

NEW YORK — A federal judge has ruled that Mobil's bid to acquire Marathon Oil would violate antitrust law.

As a result, a preliminary injunction was granted in federal District Court in Cleveland automatically blocking Mobil's \$6.5-billion takeover attempt.

The ruling gave the oil industry the first clear indication the courts might not permit major oil companies to merge with other big oil companies in quest of larger oil and gas reserves. Marathon had raised the antitrust charge immediately after Mobil announced its takeover bid on Oct. 30. The ruling late Monday was the first response by the courts to its charge.

In a 17-page opinion that could, if upheld, cool the interest in multi-billion-dollar oil company takeovers, Judge John Manos said Marathon had shown "a reasonable probability that it will succeed at trial" in proving that, if Mobil and Marathon were merged, there would be a substantial lessening of competition in gasoline sales in Illinois, Indiana, Michigan, Ohio, Tennessee and Wisconsin.

[Judge Manos Tuesday refused Mobil's request for a stay of the preliminary injunction. Reuters reported from Cleveland.]

Commenting on Monday's ruling, Ira Millstein, a New York an-

trust lawyer, said: "It's a great victory for Marathon and a major setback for Mobil. But everybody will have to bear in mind that the court of appeals will take another look at the laws and the facts and decide for itself whether the lower court properly issued a preliminary injunction."

Within minutes of the ruling, a Marathon public relations department official told reporters the company was "pleased, of course," while Herbert Schmetz, Mobil's vice president for public affairs, said Mobil had requested an expedited appeal in a higher court.

Only two companies have bid so far for Marathon, which is based in Findlay, Ohio, and is the 17th-largest oil company in the United States. U.S. Steel Corp. has announced a part-cash, part-note bid valued at \$105 a share, while Mobil's part-cash, part-debt offer is valued \$106 a share.

Marathon supports the U.S. Steel bid, which came two weeks after Mobil's, at least in part because U.S. Steel has said it will maintain Marathon as a subsidiary with current management and headquarters in Findlay.

Whether new bidders emerge will depend on Mobil's appeal of Monday's antitrust ruling. If it loses, other major oil companies would hardly dare to attempt a similar takeover.

But if Mobil can upset the lower court ruling, other oil companies

Suzuki Plans Quick Action On Accelerated Tariff Cuts

By Yuko Nakamikado
Reuters

TOKYO — Japan will decide by the end of this month whether to advance by two years to next year import tariff cuts to ease trade friction with the United States and Western Europe, Premier Zenko Suzuki said Tuesday.

Addressing a press conference a day after reshuffling his Cabinet, Mr. Suzuki said other measures under discussion include opening the Japanese market to more foreign goods and simplification of import procedures.

"We will decide by the end of this year a proposed advancement by two years of tariff cuts," he said. The cuts were agreed under the Tokyo round of tariff and trade negotiations to take place in 1983-84.

Government sources said Mr. Suzuki told the Cabinet Monday he would submit a bill in the next parliamentary session, which starts in January, to advance tariff cuts on about 1,600 items, including computers.

Following Mr. Suzuki's call for quick action on the trade issue, senior executives of the ruling Liberal Democratic Party Tuesday agreed to establish a committee to study concrete ways to ease friction, in tandem with the Cabinet.

Toshio Komoto, Economic Planning Agency director-general, one of only five Cabinet members to retain his post after Monday's reshuffle, Monday said Cabinet economic ministers will discuss fresh surplus-cutting measures in mid-December.

On Tuesday, Shintaro Abe, the new international trade and industry minister, said he favors an early cut in the Bank of Japan's official discount rate from 6.25 percent to revitalize the economy.

Agriculture Minister Kichiro Tazawa pledged to study the lowering of import tariffs on chocolate and biscuits, but he virtually ruled out increased import quotas for beef and citrus fruit, as sought by the United States.

CURRENCY RATES

Interbank exchange rates for Dec. 1, 1981, excluding bank service charges.

	\$	£	D.M.	F.F.	HK.	INR.	S.F.	D.R.
Amsterdam	2.425	4.23	19.445	4.225	0.262	4.68	126.61	34.27
Brussels (ex)	37.495	71.925	16.975	4.685	3.48	15.43	21.87	54.27
Frankfurt	2.225	4.235	—	39.49	1.864	91.25	5.962	124.79
London (ex)	1.9475	—	4.235	10.758	2.3175	—	62.25	3.778
Milan	1.19925	2.3325	57.19	212.48	496.92	21.821	68.75	167.25
New York	—	1.04	0.6499	0.7782	N.A.	0.4115	N.A.	0.5899
Paris	5.3895	16.925	25.21	—	4.283	239.79	14.81	71.82
Zurich	1.7855	3.498	93.21	31.77	61.485	47.68	—	34.955
ECU	1.1055	0.5675	2.488	4.183	1.01422	2.681	41.654	1.953

Dollar Values

Currency	Per U.S.	Currency	Per U.S.
Australian \$	0.6275	Israeli shekel	14.845
Austrian schilling	13.64	Japanese yen	216.30
Belgian fr.	43.25	Korean dollar	237.50
Canadian \$	1.378	Malay, rupiah	2.245
Danish krone	7.18	Norw. krone	57.38
French franc	6.55	Phil. peso	20.54
Great drachma	34.25	Port. escudo	41.25
Hong Kong \$	0.82	Saudi riyal	3.42
Irish £	0.782	S.D.R.	0.851

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(a) Commercial franc. (b) Amounts needed to buy one pound. (*) Units of 100. (x) Units of 1,000.



Sir Y.K. Pao

NYSE Prices Mixed; Oil Stocks in Turmoil

From Agency Dispatches

NEW YORK — Turmoil among oil stocks sapped much of the market's strength Tuesday and prices on the New York Stock Exchange ended the day mixed.

The Dow Jones industrial average dropped more than four points during the day but then changed direction near the close to finish up 1.24 at 890.22. Declines continued to lead advances, however, by an 8-to-6 margin. Volume widened to 53.98 million shares from the 47.58 million traded Monday.

Led by Bank of America and Citibank, many of the nation's major banks lowered their prime lending rate to 15% percent from 16 percent, matching the same move Chase Manhattan made last week.

A few others joined Continental Illinois and Crocker National banks, which Monday lowered their base lending rates to a 13-month low of 15 1/2 percent.

Analysts said the ruling was the first indication that the courts may stand in the way of mergers between large oil companies.

The Commerce Department said Tuesday that construction spending fell 1.7 percent in October to a seasonally adjusted annual rate of \$230.8 billion, the lowest level in a year.

The department also revised its figures for September to show an increase of 0.9 percentage points, the first monthly increase since January. Initially construction expenditures were reported as falling 0.4 percent in September.

In corporate news, General Motors sources were reported as saying Tuesday the company plans to reduce its worldwide salaried work force of 190,000 by about 13,000.

Newmont Mining said Tuesday it completed the sale of 1 million newly issued common shares to Consolidated Gold Fields' Amcon Group.

Newmont said Amcon paid \$72 a share under an agreement announced Oct. 21 that limits Gold Fields' holdings to 22 percent of Newmont's stock until Sept. 1, 1982.

Santa Fe International shareholders approved the proposed acquisition of the company by Kuwait Petroleum Corp. for \$2.5 billion.

Gold closed in London at \$403.25 an ounce, compared with Monday's close of \$409.50.

Pao Drops Plans to Merge Two Hong Kong Companies

Reuters

HONG KONG — Hong Kong shipping magnate Sir Yue-Kong Pao has shelved his plan to create what would have been the third largest company in Hong Kong.

Sir Yue-Kong said in a statement Tuesday that he had decided against a merger of two companies of which he is chairman: Hong Kong Kowloon Wharf and Godown, and World International (Holdings).

Bringing together the two companies would have created an empire worth 27 billion Hong Kong dollars (about \$4.3 billion) combining Wharf's major Hong Kong property assets with World's 8-million-ton shipping fleet.

Sir Yue-Kong, owner of the world's biggest private shipping operation, proposed a merger last week, saying it would allow the two companies to exploit investment opportunities that neither might be able to take up individually.

But on Tuesday, acting in his capacity as an individual shareholder, he said he no longer supported the deal.

His statement came after protests from minority Wharf shareholders, who according to the Hong Kong Committee on Takeovers and Mergers should have had longer than the stated nine days to make up their minds.

U.S. Steel Delays Suits Against Foreign Firms

United Press International

PITTSBURGH — U.S. Steel Corp. has decided to delay import suits against foreign steel producers pending a meeting between President Reagan and the heads of several major U.S. steelmakers.

A U.S. Steel spokesman said Monday the delay was granted at the request of federal government officials so they could discuss the matter. David Roderick, U.S. Steel chairman, previously had said his company would file trade cases against 14 countries Dec. 1.

His statement came after protests from minority Wharf shareholders, who according to the Hong Kong Committee on Takeovers and Mergers should have had longer than the stated nine days to make up their minds.

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U.S. to Allow Sale to Russia By Harvester

Technical Transfer Worth \$300 Million

WASHINGTON — The Reagan administration has announced that it will permit ailing International Harvester to sell technological expertise for a combine production plant to the Soviet Union.

The Commerce Department said in a statement Monday that it had approved the company's application for an export license to sell technical data and plant specifications over the next five years, permitting the Russians to build a factory to produce combines and other harvesting equipment in Taganrog, in southern Russia.

The \$300-million sale by the nation's largest manufacturer of farm and construction equipment was approved last week despite initial objections by Secretary of Defense Caspar W. Weinberger, according to Defense Department officials.

Mr. Weinberger contended that the transaction would enable the Russians to free industrial resources for the production of weapons. But he declined to block the transfer in view of strong support for the sale from the Departments of State and Commerce.

In his announcement, Secretary of Commerce Malcolm Baldrige said that the decision did not conflict with the administration's goal of restricting the sale of goods and technology that might enhance Soviet military capabilities.

"The United States does not consider the manufacture of combines one of the Soviet defense priority industries," Mr. Baldrige said.

Administration approval of the sale comes at a crucial time for International Harvester. The company reported last Friday that it lost \$63.7 million from continuing operations in the fiscal year that ended Oct. 31, a larger-than-expected loss and almost 70 percent more than the company's 1980 deficit.

Since March, Harvester has been negotiating with its banks to replace \$4.1 billion of short-term debt with a long-term revolving credit arrangement. Such a restructuring package would alleviate the Chicago-based company's burdensome debt costs.

At a Nov. 11 meeting of the Export Administration, Mr. Weinberger requested and obtained a postponement of the decision so that the Defense Department could study the issue further.

Last week, Mr. Baldrige decided to issue a license for the technology transfer after conferring with Mr. Weinberger, without referring the transaction to the National Security Council, according to a Defense Department official familiar with the debate. However, the official added that Mr. Baldrige had agreed with Mr. Weinberger that the broader issue of technology transfers to the Soviet Union should be raised at a future meeting of the security council.

A Commerce Department official said Monday that the company's financial plight was not a factor in the administration's deliberations.

International Harvester reported that continuing soft market conditions would hurt operating results in the first quarter of fiscal 1982. Profitability is not predicted until at least the second quarter of the fiscal year.

Poor North Sea Well Capped by Marathon

FINDLAY, Ohio — Marathon Oil said Tuesday that it has abandoned its first exploratory well in the West German section of the North Sea about 30 miles (48 kilometers) northwest of the island of Helgoland. A company spokesman said the well failed to find any significant amount of oil.

The spokesman said the company has 19 wells in the British section of the North Sea and four in the Norwegian section. Production from the 19 wells in the Brae Field is scheduled to begin in 1983, with a projected daily yield of about 110,000 barrels of oil and 12,000 barrels of natural gas liquids, the spokesman said.

Many British Car Buyers Finding Big Bargains Across the Channel

LONDON — One day recently, J. B. Fuller took a day off from work to save more than \$1,100 on a new car by visiting Belgium, buying an auto there and driving it back to Britain via the car ferry. He did so on the advice of a friend who had done the same.

The men, both college principals, are among approximately 30,000 persons living in Britain who have taken advantage lately of the sharp discrepancies between car prices in Britain and on the Continent.

The price disparities, which exist for most types of cars, even extend to those made in Britain and exported to the Continent. For example, a Mini Metro made by BL, which costs the equivalent of \$5,065 in Britain before taxes, can be bought for \$3,023 in West Germany and \$3,866 in Italy. Similar differences exist with non-British cars.

British residents buying cars must, of course, pay taxes on the vehicles. The levy is virtually the same for cars purchased on the Continent or domestically.

Why such disparity persists is debated hotly in Britain, but most experts believe that a key factor is production inefficiency and lack of competition in the British auto market. British manufacturers sell cars at lower prices on the Continent to meet competition there and to maintain their dealer networks.

In addition, companies, which purchase almost 70 percent of all cars in Britain, generally are less resistant to rising prices than the private buyer because they claim a tax deduction.

The rush of British residents to the Continent, sparked by considerable press coverage and recent publications by European consumer groups, has become an issue both for Prime Minister Margaret Thatcher, who is trying to improve the performance of the British economy, and for the EEC, which is trying to enforce equitable trade practices.

For its part, the government has insisted that it would not interfere with the flow of cheaper cars, a position that has been urged on it by EEC officials. But critics say that, under pressure from auto interests, the British government is quietly making personal imports more difficult through registration procedures and may, in fact, alter rules that facilitate personal imports by diplomatic officials and others.

According to a report published by a consortium of consumer groups within the EEC, average net car prices in Britain are 90 percent higher than in Denmark, 50 percent higher than in Belgium and 35 percent higher than in France. [Importers pay the taxes of the country into which the car is brought.]

Before taxes, a Mercedes 280SE costs \$14,928 in West Germany and \$23,333 in Britain. And a buyer who imported a Renault 5 GTL from Belgium this autumn paid a total of \$5,878, including his two-way fare and the cost of the car ferry. The lowest retail price he could find in Britain was \$7,484.

Brian Perks, a Briton who has been helping people import autos, described the car network in this country as one of "parochial, ineffectual merchandising." He added, "We've got the English sickness, with service, productivity and reliability severely lacking."

In part, auto manufacturers agree. BL, which is losing about \$1 billion this year, says that five years of very high inflation, with increased wages and overhead, and long-term lack of competitiveness within the British auto industry are to blame for high prices.

But Arnold Bolton, a press officer for BL, said that one problem was easing. Productivity in recent months has soared, up to 30 percent in some sectors, because of a trimmed work force and new robot machinery.

Auto manufacturers, who acknowledge that personal imports of cheaper cars are a problem for them, have been frequently accused of misleading the public. After returning to Britain from Belgium with his new car, Mr. Fuller was instructed by Renault U.K. that he could not register it without paying the company up to £75 for a particular certificate. He replied that not only was the certificate unnecessary but that the company's attempt to charge him violated EEC law. The car is now registered.

Dealers in Belgium, where most imports are bought, criticize BL, among others, for insuring that orders for right-hand-drive cars — the norm in Britain but uncommon in Belgium — now take a year, instead of a few months, to arrive and cost substantially more than they did a year ago.

Both the British government and the EEC Commission are considering ways to end the controversy over the free flow of goods.

Hoechst Unaware of Rumored Kuwait Share

FRANKFURT — Hoechst has no knowledge to either confirm or deny stock market rumors here that Kuwait might have built up a shareholding of about 15 percent in the company, a Hoechst spokesman said Tuesday.

Hoechst will compile a list of shareholders at the end of the year that will be published in February, the spokesman added.

Canadian Official Sees Resumption On Alands Plant

OTTAWA — Work on the stalled 13 billion Canadian dollar (\$11 billion) Alands synthetic crude oil plant in Alberta is expected to resume soon, Bud Olson, Canada's economic development minister, said Tuesday.

Sponsors of the Athabasca Tar Sands project, led by Shell Canada, halted work in October, 1980, when Canada's federal energy program was introduced. The federal government and Alberta have been negotiating with the sponsors to resume the project.

The sponsors say they need a 80 percent return on equity, and the energy pricing and revenue sharing accord between Ottawa and Alberta in the fall gives them only 15 percent.

Mr. Olson, who has responsibility for development in Western Canada, said: "I'm very encouraged by progress in the talks so far. I hope for an agreement as soon as possible." The project is intended to produce about 140,000 barrels a day by the late 1980s.

Mr. Olson also said the prospects are excellent for work starting soon on the Alaska gas pipeline project. He said he expects a waiver package to a 1978 U.S. law on the project will pass Congress.

He said that he believes the banking community will come up with the \$40 billion needed to finance the largest civil engineering project in history.

Stop Complaining, Start Competing, Brock Tells Major Companies in U.S.

WASHINGTON — U.S. business has to stop complaining about competition from imports and "get off of our ever-loving duff and start competing," U.S. Trade Representative William Brock says.

Mr. Brock, speaking before the Export-Import Bank's annual conference for U.S. commercial bankers, said Monday that Americans should not "spend all the time contemplating our navel or complaining about competition from somebody else in the world."

Mr. Brock, in answer to a question, would not say which U.S. companies he thought were complainers. But he said "if they're complaining just because they made management decisions or labor decisions that weren't economically sound," he does not agree with them.

But Mr. Brock also criticized the Japanese for protecting their industries from imports and then said U.S. companies do not try hard enough to sell to them.

"I'm somewhat weary of being told by the Japanese that all Americans have to do is work a little harder," Mr. Brock said. If the United States spent the same amount on defense as Japan does "we could balance the budget, cut taxes and have 8 percent interest rates."

Japan also has an obligation to do more than it is doing to help other nations, Mr. Brock said. He said Japan "could make a tremendous contribution" to poor Caribbean nations "trying to pull themselves up by their bootstraps."

On proposed cuts in government export promotion activities Mr. Brock said many of those programs have produced benefits exceeding their costs. He said he wanted an analysis done on the effects of such programs "on a dynamic rather than a static basis."

AT&T Creates Subsidiary For Data Communications

WASHINGTON — American Telephone & Telegraph has notified the Federal Communications Commission that it plans to start its unregulated, competitive subsidiary within six months, with a new data communications service as the unit's first offering.

Called the Advanced Communications Service, the subsidiary would provide AT&T customers with computer processing and storage of data, and the retrieval and transmit information.

Later, the subsidiary would offer various kinds of telephones, switchboards and other equipment in competition with other companies and overseas suppliers.

Both the application to the commission to form a separate subsidiary for new businesses and the announcement Monday that the service would start soon were expected, but the timing had been a subject of speculation.

The commission had stipulated more than a year ago that the Bell System could move into new fields of information processing and equipment production on an unregulated basis only through a separate subsidiary, thus reducing the possibility that the unregulated business might be subsidized by AT&T's vast regulated telephone services.

Although AT&T moved Monday to take advantage of the commission ruling, its right to do so is being challenged in the U.S. Court of Appeals. Formal arguments pitting Bell's competitors against the commission are expected to take place early next year.

AT&T has asked the commission to approve its subsidiary's capitalization plan in 121 days if possible so that it would be able to offer the new service as early as next March.

To start the service, AT&T told the commission in papers filed Monday that it would provide "Baby Bell" — as the new subsidiary has come to be known — with \$3 million in cash and \$56 million in assets such as communications processing equipment, furniture and fixtures, computers and laboratory equipment.

In exchange for these assets from the parent company, the subsidiary would issue equity shares that would be held by the parent company, which would continue to offer regulated telephone service.

Unfair Advantage? To introduce the new program, the subsidiary would be supplied with \$434 million in additional money by the parent company in exchange for stock. AT&T said its local telephone companies and long-distance home service department would be reimbursed for the \$134 million in expenses that they

would incur in helping to start the operation.

How the AT&T subsidiary would be financed has come into dispute recently. Bell's competitors say that the new unit should be required to raise its own capital at going market rates so that it would not have an unfair advantage over other companies.

One serious regulatory question is whether users of residential and other ordinary telephone service, whose rates are regulated, may be helping to capitalize the new subsidiary's operations, which will be aimed mostly at businesses.

In a letter to Mark Fowler, chairman of the FCC, James Billingsley, a Bell vice president, wrote that the capitalization of the new subsidiary "cannot reasonably be expected to have any detrimental effect on the provision of basic services by Bell System carriers or the rates charged for such services."

In its announcement Monday, AT&T said that the new subsidiary would pay the appropriate unit of the parent company for the use of long-distance lines that would be used in the new data service.

SYRIAN ARAB REPUBLIC THE GENERAL ORGANIZATION FOR INVESTMENT OF EUPHRATES BASIN N° 2207/M/D/3 ANNOUNCEMENT FOR OFFERS FOR THE SECOND TIME

Bank on Grindlays for U.S. \$ Deposit Accounts

Grindlays Bank Ltd. in London offers high interest rates on a wide range of US Dollar and other major international currency deposit accounts.

With Grindlays you can bank on a tradition of confidentiality and personal service established over a period of 150 years. For further information about opening an account in London please post the coupon below or phone Mr. Jeremy Cross on 01-930 4611.

Grindlays Bank Group advertisement with interest rate table and contact information.

OFFICES TO LET advertisement for Elysees 26, Champs-Elysees, Paris.

Frankfurter Allgemeine Zeitung advertisement with image of newspaper and reader statistics.

COMPANY REPORTS table with financial data for Canada, Britain, and Singapore.

دبي

AMEX Nationwide Trading Closing Prices Dec. 1

Tables include the nationwide prices up to the closing on Wall Street.

Table of AMEX Nationwide Trading Closing Prices for Dec 1, listing various stocks and their prices.

Table of international stock market data, including prices for various foreign equities.

U.S. COMMODITY PRICES

Table of U.S. Commodity Prices for Dec 1, 1981, covering futures for grains, oil, and other commodities.

Table of international commodity prices, including metals and other goods.

Table of International Monetary Market data, showing exchange rates for various currencies.

Table of Market Summary NYSE Most Actives, listing the most active stocks on the NYSE.

Table of Cash Prices for Dec 1, 1981, listing prices for various commodities.

Advertisement for the Dubai International Conference, Seminar, Banking, Office, Hotel, Apartment, Recreation, Theatre, Concert, Meetings, Exhibition, Car Park, Shopping, Travel, Post Office and Trade Centre.

Advertisement for EAB (European American Bank & Trust Company), announcing the opening of its International Banking Facility (IBF) on December 3, 1981.

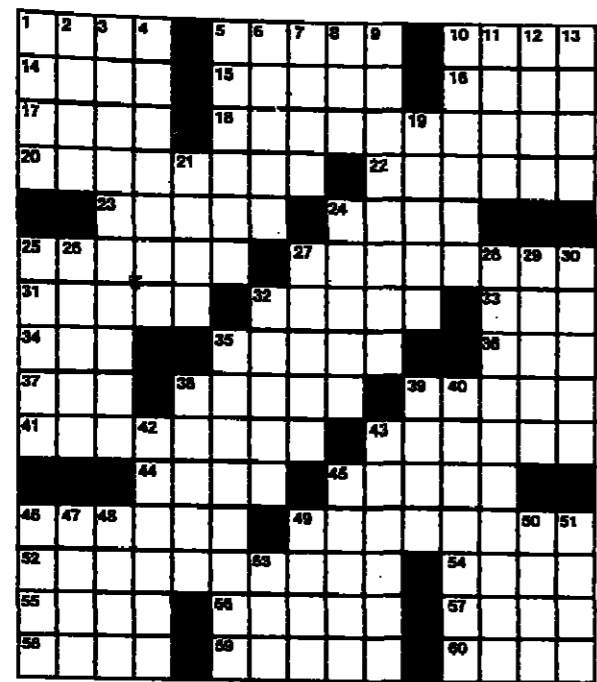
Table of Dow Jones Averages, Standard & Poors, NYSE Index, and other market indicators.

Table of Dividends and Commodity Indexes for Dec 1, 1981.

Advertisement for the Dubai International Conference, Seminar, Banking, Office, Hotel, Apartment, Recreation, Theatre, Concert, Meetings, Exhibition, Car Park, Shopping, Travel, Post Office and Trade Centre, featuring a building illustration.

CROSSWORD

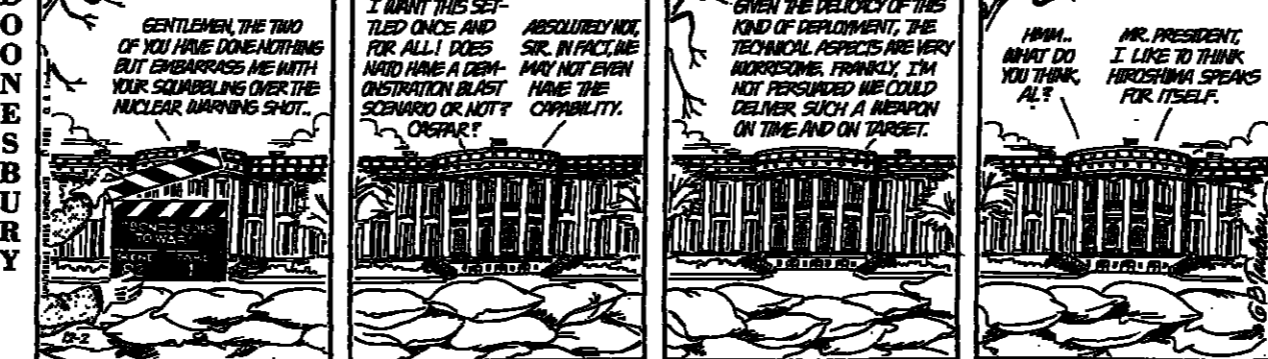
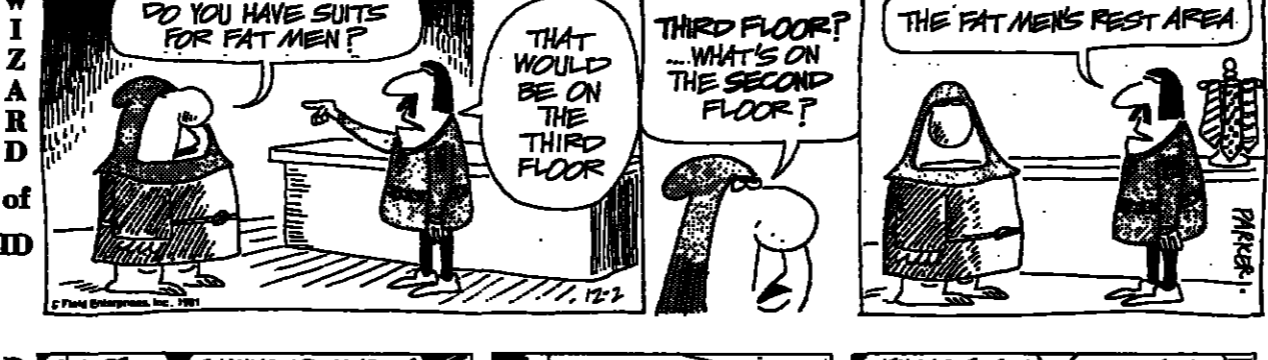
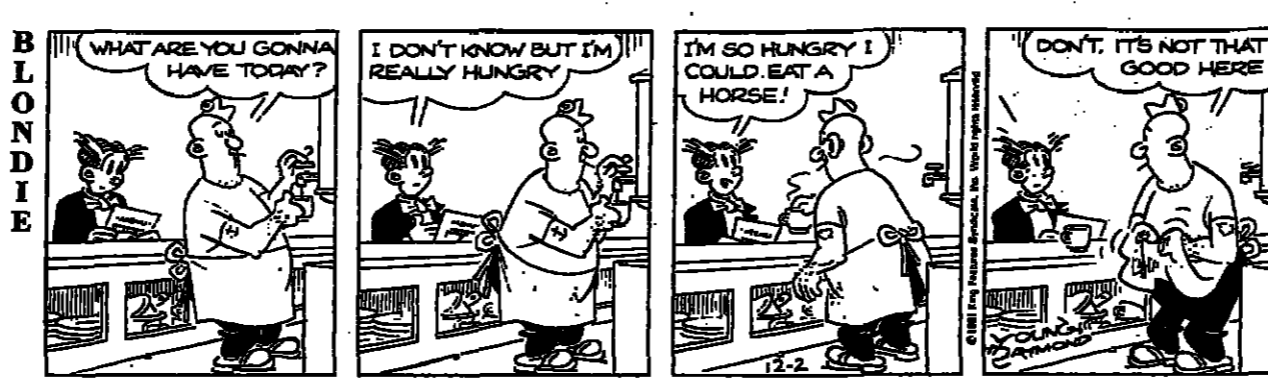
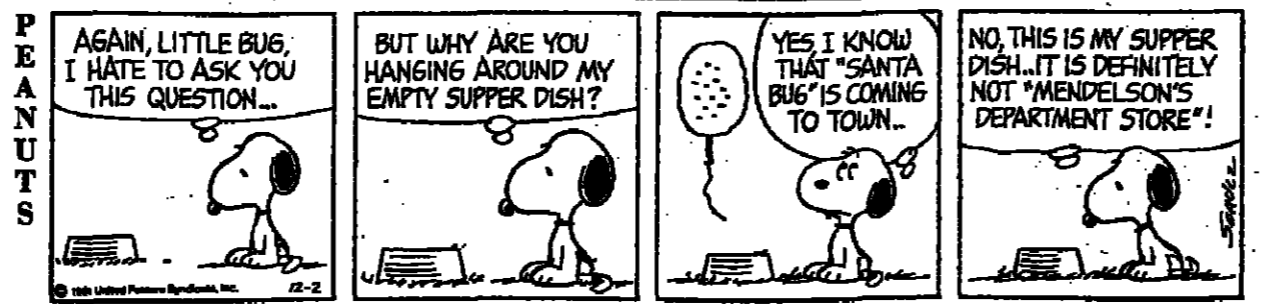
By Eugene T. Malachuk



- ACROSS
1 Goya painting in the Prado
5 Fish or Peruvian money
10 Cod, for example
14 Its capital was Susa
15 Fulcrum for an ear
16 Lake in the U.S.S.R.
17 One of Judy's children
18 Robert De Niro role
20 Knockouts
22 Certain vessels
23 The March King
24 Disaccustom by degrees
27 Pauci products
27 Baubles for mullady
31 Laundry cycle
32 Collop
33 Author Levin
34 Follow follower
35 Cartoonist Briggs
36 Antecedent of plus or com
37 Ripen
38 Amalgamates
39 Harmonize
41 "We meet our face to face": Belloc
43 Cowboys' gear
44 Inner: Comb form
45 Film role played by Chief Thundercloud
46 Hidden
48 Indictive
52 Locale of a Vanessa Redgrave film
54 Tear apart
55 Member of the House of Lords
56 Mud volcano
57 Rtas.
58 Playing card
59 Spinning
60 Orderly
DOWN
1 Play in music
2 Enter (among other things)
3 Film starring Al Tolson, with "The"
4 Penthesilea and her band
5 Engineer's concern
6 He wrote "Waterfield"
7 Filoz's records
8 Wallch
9 Decision of a judge
10 Bathroom
11 Cuckoo in the ladder's appendage
13 Extensions
19 Something to make
21 Musical instrument
24 Dams
25 The last king of Troy
26 Start of the Beatles
27 Designs
28 Fonda-Parton-Tomlin film
29 Sodium carbonate
30 Gritty particles
32 Seaport in Ireland
35 "The Barefoot Boy": 1954 film
36 Supernatural being; in Moslem legends
39 Sir Rudolf of Op
40 Church of St. John in Rome
42 Just about
43 Lyric form
45 Present, e.g.
46 Egg on
47 Erect
48 Concern
49 Farewell, to fudge
50 Layer of the iris
51 For fear that
53 Malay gibbon

WEATHER

Table with columns for location, high, low, and weather conditions. Locations include ALGARVE, ALGIERS, AMSTERDAM, ANKARA, ATHENS, AUCKLAND, BANGKOK, BEIRUT, BELGRADE, BERLIN, BRISTOL, BRUSSELS, BUCHAREST, BUENOS AIRES, CAIRO, CASABLANCA, CHICAGO, COBLENZ, COSTA DEL SOL, DAMASCUS, DUBLIN, EDINBURGH, FLORENCE, FRANKFURT, GENOVA, HELSINKI, HONG KONG, HOUSTON, ISTANBUL, JERUSALEM, LAS PALMAS, LIMA, LISBON, LONDON, LOS ANGELES.



JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee. DENNIS THE MENACE by Raymond Briggs. Includes word search grids and a cartoon of Dennis the Menace.

BOOKS

EMINENT VICTORIAN WOMEN
By Elizabeth Longford. 256 pp. \$22.50.
Alfred A. Knopf, 201 East 52nd Street, New York 10022.
Reviewed by Angeline Goreau

THE WOMAN who gave her name to the Victorian era was neither constitutionally nor by habit or temper subject to the reigning female disease of her time—delicacy. Never before had so many women fainted, fared away, been overcome by the vapors and taken to their beds in droves. Even the spirited and inexorable reformer Florence Nightingale found she could not dispense with at least the appearance of debility: at the age of 37 she slipped under the covers of her "deathbed" and remained there for 53 years, conducting the prodigious business of her reform without interruption and graciously receiving the visits of high government officials who came (by appointment) to ask her advice.
Elizabeth Longford, in "Eminent Victorian Women," describes the untold story of the lives of 11 women whose distillated biographies make up this collection: in one way or another, all refused to take up residence in the ordinary "province of Woman" and chose instead a calling or profession which brought them prominence. Elizabeth Longford's lively narrative traces the well-known literary careers of the sisters Browne, George Eliot and Harriet Beecher Stowe; the history of actress Ellen Terry; and the monumentally productive life of the one woman Lytton Strachey included in his work—Florence Nightingale. Other heroines are social reformers like Josephine Butler, who championed the rights of prostitutes, and Amie Besant, whose list of causes included atheism, feminism, socialism and theosophy.
Finally, we are introduced to two Victorians whose renown has considerably dimmed since the end of the last century: the first is Dr. James Barry, who disguised herself as a boy in order to go to medical school and eventually became one of the most respected (in all but one particular) doctors in the British Army Medical Department. The second, Mary Kingsley, contributed a fund of valuable information for botanists, medical researchers and ethnologists in the accounts of her forays into the wilds of west Africa. After the death of both her parents, she set out alone (at the age of 30) to complete a research project her father had left unfinished, and found the compulsion to explore irresistible. In one of her most impressive journeys, she penetrated deep into territory inhabited by the cannibal Fan tribe, bargaining along the way for three Fan carriers to join her party—only three she cautiously stipulated, because if the Fans outnumbered the other members of the expedition, the cannibals would neatly cut up and eat their fellow travelers, smoking the surplus meat. As the last recorded, Mary was determined not to arrive at her destination smoked.

Angeline Goreau, author of "Reconstructing Aphra: A Social Biography of Aphra Behn," wrote this review for The Washington Post.

Best Sellers

Table listing best-selling books with columns for title, author, and sales figures. Includes titles like 'AN INDECENT OBSESSION' and 'THE LORD OF THE RINGS'.

BRIDGE

The diagrammed deal illustrates some of the problems which occur for both sides when an opening no-trump hand faces a partner with no assets at all. The first question was whether West should act over the opening bid. Some of the experts passed, leaving North with a problem. The normal course was to pass, but North-South were liable to run into trouble if East was able to double. Many experts believe in bidding something with the North hand, with the choice lying between an eccentric Stayman bid of two clubs and a slightly less eccentric bid of two hearts. North-South did better when West chose to double one no-trump. Since the double was for penalties, East would have passed with a very weak hand: The old idea that one needs moderate values to pass a double of one no-trump has long been abandoned by good players. North should perhaps have begun a ruse operation when one no-trump was doubled. When he passed, South should certainly have retreated to two diamonds. When he chose to stand his ground, as he did against the winners, the decision must be called rash rather than brave. A spade lead drove out South's only stopper in the suit, and he led a diamond. West put up the queen and ran his spade winners, giving South some painful discards. He gave up one card

ADVERTISEMENT INTERNATIONAL FUNDS December 1 1981. Table listing various international funds and their performance metrics.

Imprimé par P.I.O. - 1, Boulevard ray 75018 Paris

Yankee Hurler Righetti Named Rookie of Year

NEW YORK — PITCHER Dave Righetti of the New York Yankees has been named American League rookie of the year by the Baseball Writers Association of America.

Righetti, 23, had a 2.06 earned-run average in 15 games and struck out 89 batters in 105 innings while walking only 38.

Righetti said he had to overcome a tendency to pitch to the corners of the plate. "The talent was there," he said. "I had to learn how to get the ball over, get ahead of the hitters and then work from there."

- Previous Winners
1980 — Jim Carraway, C.
1979 — Jim Carraway, C.
1978 — Lou Whitaker, Det.
1977 — Eddie Murray, B.
1976 — Steve Carlton, P.
1975 — Fred Lynn, Bos.
1974 — Alvin Dark, C.
1973 — Tom Seaver, N.Y.
1972 — Curt Flood, Bos.
1971 — Chris Christy, C.
1970 — Thurman Munson, N.Y.
1969 — Lou Piniella, K.C.
1968 — Stan Robinson, N.Y.
1967 — Tom Seaver, N.Y.
1966 — Tom Seaver, N.Y.
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1952 — Tom Seaver, N.Y.
1951 — Tom Seaver, N.Y.
1950 — Tom Seaver, N.Y.
1949 — Tom Seaver, N.Y.



Dave Righetti. The talent was there.

A Strict Constructionist Finds 'Tragedy' Fits Only too Well

By Rob Hughes

LONDON — Tragedies and disasters come and go with such incident haste in the sporting vernacular that it becomes difficult to recognize or describe the real thing.

This week, England lost a game of cricket in Bombay. A "tragedy of tragedies," according to the BBC. This weekend, France may play its vital World Cup match against a Cypriot team it has already thrashed, 7-0.

The heart bleeds for them, especially since the past 10 days have been so full of real tragedy that even those whose spines tingles at the overuse of the word can think of no other.

most artistic performers on the field of play. The coaches, Claudio Coutinho and Bill Taylor, are gone. The player, Giancarlo Antognoni, was saved by the kiss of life and is now recovering following brain surgery.

SOCCER SCENE

Antognoni as a creator whose delicate skills I still hope to applaud at the next World Cup — the tragedy is all too real. It underscores how stupid we sometimes are in taking the game and its results too seriously.

After what happened, it is a triumph that he is talking of playing again, never mind promising to wear Italian blue at the World Cup.

Not Worth It

Finally, how dare Italian soccer — which has condoned persistent leg-breakers, which all but defied the "assassino" Romeo Benetti — condemn a goalkeeper who mis-placed a challenge?

the Genoa goalkeeper and although Martina himself denies the collision was deliberate, a Florence judge ordered an investigation and the public prosecutor talks of a possible criminal charge.

Marked Man

I met Coutinho at the 1974 World Cup. He was a marvelous linguist and a wonderfully relaxed man. Later, as he assumed the position of Brazilian team manager — next only to president, some say — he enjoyed life less. You would, too, if you walked in the certain knowledge that they would burn you in effigy in the streets of Rio if the team failed, as it did at the 1978 World Cup.

Notre Dame Coach Faust Pays a Devilish Schedule Its Due

By Dave Anderson

NEW YORK Times Staff Writer — In his first season as the Notre Dame coach, Gerry Faust woke up the echoes. The bad ones.

The Irish lost to Miami last week, 37-15 — making the first time since 1963 that Notre Dame's football team has had a losing season. That year the Irish had a 2-7 record with Hugh Devore as coach.

The next season Ara Parseghian was the coach. But next year Faust again will be the coach. And probably for many more seasons.

"It's been a tough year," he said before the final loss of his 5-6 record. "But there's been a lot of joy with some pain. The joy is being here at Notre Dame and what Notre Dame stands for."

"I wanted to win for the players, the school, the alumni and the sub-way alumni," he said by phone from his office in South Bend, Ind. "There's always some people, maybe 5 percent, who are critical, but you'll have them even if you go 11-0."

"People yell, but if you're not thick enough to handle that you don't belong in the business." The week after his season-opening 27-7 victory over Louisiana State, Notre Dame was ranked No. 1 nationally by both wire-service polls.

"That didn't put any added pressure on me or the players," said Faust. "I've had the No. 1 team in the nation before. I was accustomed to that."

Short-Lived — But his previous No. 1 teams had been at Archbishop Moeller High School in Cincinnati, where he had put together a 173-17-2 record over two decades, including a 53-game winning streak. His teams won 3 national schoolboy titles, 5 Ohio state championships, 12 city titles and had 9 undefeated seasons.

Having a No. 1 team at Notre Dame only lasted until the next game — a 25-7 thrashing by Michigan.

"In high school, you may run into five teams all season who have a few great athletes. You know you can beat some teams with your second-stringers," Faust said.

"But in college, you play against teams with great athletes every week." Especially with Notre Dame's schedule. Purdue, Florida State, Southern Cal and Penn State conquered Faust's squad, but those four losses were by a total of 17 points. Meanwhile, the Irish were winning games against Michigan State, Navy, Georgia Tech and the Air Force Academy.

Faust now realizes that his offensive system was too complicated for his players to comprehend quickly, even though it was the same one his Moeller players had used so effectively.

back. With the schedule we've got, you've got to."

With the schedule Notre Dame has next season, Faust's resiliency will be as important as his roster. "We finish up with Penn State, Pitt, the Air Force and USC in that order," he said. "We open up with Michigan, Purdue and Michigan State. And in between, we play Arizona, Oregon, Navy and Miami, in the Orange Bowl."

"Everybody gets up for Notre Dame." Ever since the Irish decided in 1969 to accept bowl invitations, they have gone to nine postseason games. This will be the fourth time that Notre Dame's treasury has not been bolstered by a bowl-game check.

The closest the Irish got was their final game — against Miami, in the Orange Bowl.

When the Irish dropped four of their first six games, Faust also had to learn how to adjust to losing. "I'll never learn how to lose," he said.

"But after those early losses, I think I did learn how to bounce back. With the schedule we've got, you've got to."

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Gerry Faust. 'I'll never learn how to lose.'

Westhead Firing: The Lakers' No-Class Action

By Jim Murray

LOS ANGELES — In all my years as a writer, I never once was able to get a managing editor fired. Newspaper publishers had better sense than to let me.

I never had a firing in my family could get a shop foreman fired. Hemingway couldn't get Scribner Sons fired. Marilyn Monroe couldn't get Darryl F. Zanuck fired and Bette Davis couldn't fire Jack Warner.

You know something? Babe Ruth couldn't get the Yankees manager fired in 1926. Miller Huggins fired him \$3,000 and suspended him for nine days and made him apologize to the club. And the owner backed him up.

I never heard of a private who could get a general cashiered or an ensign who could make the admiral walk the plank.

NHL Standings

Table with columns for Conference, Team, W, L, T, GF, GA, Pts. Includes Eastern and Western Conferences.

A Late Field Goal Defeats Eagles for Dolphins, 13-10

MIAMI — Uwe von Schamann kicked a 27-yard field goal with 1:04 left to give the Miami Dolphins a 13-10 National Football League triumph over Philadelphia here Monday night.

The victory lifted the 8-4-1 Dolphins back into a first-place tie with the New York Jets in the American Conference Eastern Division and dropped the Eagles (9-4) to second in the National Conference East.

Safety Lyle Blackwood's interception set up the winning kick after Dolphin quarterback Don Strock had thrown a 17-yard, game-tying touchdown pass to Dorrell Harris. Von Schamann had kicked a 42-yard field goal in the second quarter.

NFL Standings

Table with columns for Conference, Team, W, L, T, Pts. Includes Eastern and Western Divisions.

Transactions

- HOCKEY
Montreal Canadiens
Boston Bruins
Colorado Avalanche
N.Y. Rangers
St. Louis Blues
Washington Capitals
NHL Draft
NHL Free Agency
NHL Trades

CLASSIFIED ADVERTISEMENTS

Grid of classified advertisements including Real Estate, Automobiles, Health Services, Legal Services, Tax Free Cars, and more.

Observer

Yet Another Revision

By Russell Baker
NEW YORK—I wish intellectuals and scientists would stop revising my mind for a few years. They revised it so completely during the last 10 years that I can't find my way around in all the new mental furniture...



Baker

Until now, though, whenever I did think about the Renaissance, I thought about it as an improvement on the age of feudalism. It was probably the same thing as thinking it was progressive. I always thought of feudalism as a time when a man had to go around wearing several hundred pounds of armor...

ists hadn't got into my mind 10 years ago and changed the wallpaper on my skull.
I used to think that a nice glass of milk and a big plate of bacon and eggs was good for me at breakfast. Everybody thought that when I was a kid...

For years and years I thought Abraham Lincoln was a great man. Possibly even a saint. He freed the slaves. Then came the revision. I had to take Lincoln's picture down from over the mantel in the front of the brain and stow it in the attic, and learn to say, "Of course, you know Lincoln was a racist."

Until Ronald Reagan came along and revised my thinking, I thought the sure way to go broke was to reduce your income and then order \$39 billion worth of airplanes. Then Mr. Reagan tore down the old economic charts on the back wall of my brain and hung up the Laffer Curve.
I could go on reciting the mistaken lessons of my youth that have been unlearned in the nick of time. It seems like everybody is working overtime to persuade me I've been an idiot all my life...

Names

By Dave Larsen
Los Angeles Times Service
FRESNO, Calif. — The former Terrill Clark Williams remembers the night well.
"My apartment became filled with a golden light," he said. "It was a police helicopter. No, he said, it was three visitors who identified themselves as being from the star Sirius and who informed him he would be changing his name — to God."

Meanwhile, consider other great moments in nomenclature, such as people who might have changed their names, but didn't.
"I was born a few years before the cartoon character," the voice on the phone from Denver said. "But everybody assumes it happened the other way around."

Speaking was a former Bureau of Reclamation official, Donald J. Duck.
Furthermore, Mickey Mouse is alive and well in Hemet, Calif.
After having five boys in a row, Mrs. Joseph Koerner was planning on a girl. When that one turned out to be a boy, she threw up her hands and commissioned the other children to choose a name.

Consider also William Marvel, who decided early in life on a career in the Air Force, knowing full well what that would mean. He graduated from the Air Force Academy and one day was promoted from lieutenant to Captain Marvel.

Changing Your Moniker May Be Legal but It Can Lead To Problems as 'God' Knows From His Earthly Experience

A man had his name changed to Jesus Christ. "The guy wouldn't talk at all," Rodda said. "He responded to all my questions with notes, which were read into the record. But there didn't appear to be any basis for denying his request."

God formerly had been broadcasting 15 years, doing a daytime talk show in Salt Lake City, being program director at an FM station, and announcer at another FM station, both in Southern California.

He said the three visitors who identified themselves as being from the star Sirius announced: "We miss you."
"They told me that we are into a new age and that I am going to have a key role in transforming the world," he said. "They also revealed that at some point I would be called upon to change my name to God. They said I would know when the time was right. Last August it came to me that the time had come."

Hooked on Cigarettes
God sank back into his sofa and dragged on his cigarette. He said he had not always smoked, but years ago he was up for a part in a television commercial and his agent told him he would have to learn to smoke. He did it the part, but he got hooked on smoking.

The idea for his name change, God explained, surveying his rented furniture, occurred six years ago. The furniture is rented because he sold what he had, plus his car, to try to get by after quitting his job as a spiritual counselor. When told about the impending legal action, his boss had not been very thrilled.

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God sank back into his sofa and dragged on his cigarette. He said he had not always smoked, but years ago he was up for a part in a television commercial and his agent told him he would have to learn to smoke. He did it the part, but he got hooked on smoking.

Such choice checks sometimes are allowed. Joel Munsey of Alhambra, Calif., an occasional musician, once took out a checking account under the name Organized Crime.
As for God's, he said he worked on the signature for a few days to give it more flair. But the joy of people not cashing checks made out to them can last only so long, and the former Williams would like to get another talk show, or have a broadcast forum on which to explain himself, or return to spiritual counseling.

PEOPLE: Trial Ordered for Getty

In Suit by Crippled Son

A Los Angeles judge said J. Paul Getty Jr.'s efforts to avoid paying medical expenses for his crippled son were shameful and ordered a trial of a suit filed against the oil tycoon on behalf of the 25-year-old heir. Superior Court Judge Bruce Geernaert denied Getty's request to revoke the summons ordering him to appear for a court suit brought for J. Paul Getty III, heir to one of the world's greatest fortunes and victim of a 1973 kidnapping. The younger Getty suffered a drug-and-alcohol-induced stroke last April that left him incapacitated. Getty Jr., who lives in England, had claimed that California courts have no jurisdiction over him since he has not lived in the United States since 1958. Geernaert rejected the argument as "absurd" and ordered the case to trial.



Getty III

Geernaert rejected the argument as "absurd" and ordered the case to trial. Getty III, whose kidnappers cut off his ear, is spoon-fed like a baby and managed to communicate a tortured yell that can only be understood by doting helpers who are with him every day. The young Getty's father has refused to visit or send condolences. The only communication from the young man's multimillionaire father has been through attorneys, who say he is not willing to pay his son's medical bills. Representatives of Getty III filed suit in Superior Court to compel his father to pay \$25,000 a month in medical expenses. "It seems beyond comprehension that a man with the kind of stupendous assets he has would hesitate for one minute to do everything medically possible for his son," said attorney Edward M. Stadium, who represents the younger Getty. During the younger Getty's kidnapping ordeal in Italy eight years ago, his abductors sliced off one of his ears and mailed it to his mother. The boy's grandfather, the late J. Paul Getty, insisted at the time the kidnapping was a hoax, but he later paid a ransom of nearly \$3 million. Young Getty is receiving around-the-clock care at his home of his mother, Carl Harris Getty. The suit was filed under a state law that requires a father who is financially able to support children who incur medical expenses they can't afford.

Cardinal John P. Cody, 73, head of the 2.4 million-member Roman Catholic archdiocese of Chicago, was hospitalized for routine tests, an archdiocesan spokesman said. The spokesman quoted Cody as saying he feels fine and expects to return home later this week when the tests are completed. Cody decided to take the tests now because of a break in his schedule before a series of events beginning Saturday marking the 50th anniversary of his ordination. From Dec. 5 to 13, Cody will be paid tribute by religious and civic leaders at a luncheon and three Masses, with a

special Mass Dec. 9 that is expected to draw many of the United States' bishops and cardinals. The golden jubilee Mass will be Dec. 13 in Chicago's Holy Name Cathedral. Cody's 50th birthday was in Rome on Dec. 8, 1931, and returned to his home diocese in St. Louis in 1938. He became a bishop in 1947 and archbishop of New Orleans in 1961. In 1965, he was installed as head of the Chicago archdiocese, the United States' largest. In September, the U.S. attorney's office in Chicago confirmed reports that it was investigating allegations that Cody may have funneled up to \$1 million in tax-exempt church money to a relative.

Two weeks after representatives of her family made inquiries about her attending Bennington College in Vermont, Princess Farahzad Pahlavi, 17, of Iran has begun auditing classes there without credit. Princess Farahzad is expected to register as a regular student at the beginning of the next semester. The princess has made her own security and housing arrangements and presumably will live in the home bought by her brother, Reza, the late Shah's eldest son, when he was a student at Williams College in 1979. The home, in Williams town, Mass., 20 miles from Bennington, is already occupied by the princess's 16-year-old brother, Ali, who was enrolled last week in the public Mount Greylock Regional High School in Williamstown.

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